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COMMONWEALTH OF AUSTRALIA. Parliament

PARLIAMENTARY DEBATES.

FIRST SESSION, 1920.

CONTENTS.

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EIGHTH PARLIAMENT.

FIRST SESSION.

Governor-General

His Excellency the Right Honorable HENRY WILLIAM, BARON FORSTER, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, and Commander-in-Chief in and over the Commonwealth of Australia.

Australian National Government.

(*From 10th January*, 1918.)

Prime Minister and Attorney-General ..	The Right Honorable William Morris Hughes, P.C., K.C.
Minister for the Navy	The Right Honorable Sir Joseph Cook, P.C., G.C.M.G.
	Succeeded by
	The Honorable W. H. Laird Smith (28th July, 1920).
Treasurer	The Right Honorable Lord Forrest, P.C., G.C.M.G.
	Succeeded by
	The Right Honorable William Alexander Watt, P.C. (27th March, 1918.)††††
	Succeeded by
	The Right Honorable Sir Joseph Cook, P.C., G.C.M.G. (28th July, 1920).
Minister for Defence	The Honorable George Foster Pearce.
Minister for Repatriation	The Honorable Edward Davis Millen.
Minister for Works and Railways ..	The Right Honorable William Alexander Watt, P.C.
	Succeeded by
	The Honorable Littleton Ernest Groom (27th March, 1918).
Minister for Home and Territories ..	The Honorable Patrick McMahon Glynn K.C. †††
	Succeeded by
	The Honorable Alexander Poynton (4th February, 1920).
Minister for Trade and Customs	The Honorable Jens August Jensen.†
	Succeeded by
	The Right Honorable William Alexander Watt, P.C. (13th December, 1918)
	Succeeded by
	The Honorable Walter Massy Greene (17th January, 1919).
Postmaster-General	The Honorable William Webster. †††
	Succeeded by
	The Honorable George Henry Wise (4th February, 1920).
Vice-President of the Executive Council ..	The Honorable Littleton Ernest Groom.
	Succeeded by
	The Honorable Edward John Russell (27th March, 1918).
Honorary Minister	The Honorable Edward John Russell.
	Appointed Vice-President of the Executive Council, 27th March, 1918).
Honorary Minister	The Honorable Alexander Poynton.
	Appointed Minister for Home and Territories, 4th February, 1920.
Honorary Minister	The Honorable George Henry Wise.
	Appointed Postmaster-General, 4th February, 1920.
Honorary Minister	The Honorable Walter Massy Greene.
	Appointed Minister for Trade and Customs, 17th January, 1919.*
Honorary Minister	The Honorable Richard Beaumont Orchard**
Honorary Minister	The Honorable Sir Granville de Laune Ryrie, K.C.M.G., C.B., V.D. ††
Honorary Minister	The Honorable William Henry Laird Smith.††
	Appointed Minister for the Navy, 28th July, 1920.
Honorary Minister	The Honorable Arthur Stanislaus Rodgers.***

* Appointed 26th March, 1918.——† Removed from office, 13th December, 1918.——** Resigned office, 31st January, 1919.——†† Appointed 4th February, 1920.——††† Resigned 3rd February, 1920.——†††† Resignation from office gazetted, 15th June, 1920.——*** Appointed 28th July, 1920.

Senators.

(*From 1st July*, 1920.)

President—Senator the Honorable Thomas Givens.

Chairman of Committees—Senator Thomas Jerome Kingston Bakhap.

*Adamson, John, C.B.E. (Q.)
Bakhap, Thomas Jerome Kingston (T.)
*Benny, Benjamin (S.A.)
Bolton, William Kinsey, C.B.E., V.D. (V.)
[3]Buzacott, Richard (W.A.)
*Cox, Charles Frederick, C.B., C.M.G. (N.S.W.)
Crawford, Thomas William (Q.)
De Largie, Hon. Hugh (W.A.)
*Drake-Brockman, Edmund Alfred, C.B., C.M.G., D.S.O. (W.A.)
*Duncan, Walter Leslie (N.S.W.)
Earle, Hon. John (T.)
*Elliott, Harold Edward, C.B., C.M.G., D.S.O., D.C.M. (V.)
Fairbairn, George (V.)
Foll, Hattil Spencer (Q.)
[2]Foster, George Matthew (T.)
*Gardiner, Albert (N.S.W.)
*Givens, Hon. Thomas (Q.)
*Glasgow, Sir Thomas William, K.C.B., C.M.G., D.S.O. (Q.)
*Guthrie, James Francis (V.)
Guthrie, Robert Storrie (S.A.)
Henderson, George (W.A.)
Keating, Hon. John Henry (T.)
*Lynch, Patrick Joseph (W.A.)
Millen, Hon. Edward Davis (N.S.W.)
*Millen, John Dunlop (T.)
*[1]Newland, John (S.A.)
*Payne, Hon. Herbert James Mockford (T.)
[2]Pearce, Hon. George Foster (W.A.)
[1]Plain, William (V.)
Pratten, Herbert Edward (N.S.W.)
Reid, Matthew (Q.)
[1]Rowell, James, C.B. (S.A.)
*Russell, Hon. Edward John (V.)
Senior, William (S.A.)
Thomas, Hon. Josiah (N.S.W.)
*Wilson, Reginald Victor (S.A.)

1. Appointed Temporary Chairman of Committees, 21st July, 1920. 2. Elected 13th December, 1919 Sworn 21st July, 1920. 3. Appointed Temporary Chairman of Committees, 26th February, 1920.
* Elected 13th December 1919. Sworn, 1st July 1920.

Senate.

Friday, 1 October, 1920.

The President (**Senator the Hon. T. Givens**) took the chair at 11 a.m., and read prayers.

SALE OF WHEAT TO EGYPTIAN GOVERNMENT.

Senator ROWELL.—I ask the Vice-President of the Executive Council whether his attention has been drawn to a statement appearing in the press this morning by a member of the New South Wales Government to the effect that the Commonwealth Government have sold 300,000 tons of wheat to the Egyptian Government at 13s. per bushel f.o.b. Is the statement a fact?

Senator RUSSELL.—I have no information beyond what appears in the paragraph referred to by the honorable senator, but I shall try and have the statement confirmed or otherwise during the day.

PENSIONS FOR THE BLIND.

Senator RUSSELL (Vice-President of the Executive Council).—On many occasions questions have been asked, by Senators Earle and Newland and other honorable senators, on the subject of the pensions to be paid to blind persons. I have this morning received the following statement from the Treasurer (Sir Joseph Cook) in reply to those questions:—

The Government have decided to permit an increase in the amount which blind pensioners may earn without their pensions being reduced, but it will be necessary to pass legislation to give effect to that decision. This legislation will be introduced at the earliest opportunity.

ASSENT TO BILLS.

Assent reported to the following Bills:—

New Guinea Bill.

Appropriation (Works and Buildings) Bill (1920-21)

LEAVE OF ABSENCE.

Motion (by Senator Russell) agreed to—

That Senator E. D. Millen be granted leave of absence for six months on account of urgent public business.

INCOME TAX BILL.

Bill received from the House of Representatives.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [11.4].—I move—

That so much of the Standing and Sessional Orders be suspended as would prevent the Bill being passed through all its stages without delay.

This motion, if agreed to, will not be used to in any way limit the right of honorable senators to debate the Bill. The object is to avoid possible delays in connexion with the transmission of the Bill between the two Houses.

Senator Pratten.—Is it proposed that the Senate shall meet next week?

Senator RUSSELL.—I am afraid that we shall have to do so.

Question resolved in the affirmative.

Bill read a first time.

LOAN BILL.

Second Reading.

Senator RUSSELL (Victoria — Vice-President of the Executive Council) [11.6].—I move—

That this Bill be now read a second time.

The amount which the Government desire to borrow under this Bill is £4,286,490. That is the total estimated cost of the works proposed to be carried out. There is already available under appropriations made by previous Acts, £305,768, and the total amount required is £4,592,258. This is essentially a Committee Bill, and in moving the second reading I shall content myself with stating the total amounts required for the different Departments. For the Prime Minister's Department the amount required is £186,500; for the Department of the Treasury—for the construction of ships—£3,000,000; for the Home and Territories Department, £96,175; for the Works and Railways Department, £976,269; for the Department of the Navy, £69,500; for the Trade and Customs Department, £40,000; and for the redemption of Northern Territory Loans, £223,814. These figures make up the total of £4,592,258. Two-thirds of the total amount covered by the Bill is required for carrying on the ship construction programme, particulars of which were given in the Budget speech.

Last year £2,198,000 was spent on the construction of ships, and the amount was charged to the War Loan, but from the 1st July last all expenditure in connexion with ship construction will be charged to the Works Loan. Provision is made in this Bill for £150,000 for initial settlement and preparatory work at the Federal Capital. The other principal items are, £100,000, subscription to the capital of the Refinery Company in accordance with the Oil Agreement Act; Mobilization stores for the Defence Department, £167,000; Naval Bases, £187,000; Murray Waters scheme, £132,000; Kalgoorlie to Port Augusta Railway, £100,000; and for the redemption of Northern Territory loans, £223,814. There are a number of smaller votes for works already in progress, and for additional works in connexion with these estabishments. In Committee I shall be pleased to give honorable senators any information they may desire in connexion with these items.

Senator PRATTEN (New South Wales) [11.10].—We have before us now a Bill which includes many heavy items of proposed expenditure, some of which will probably be debated at some length. The biggest item is one of £3,000,000 for shipbuilding, but in order that we may get on with the business I propose to confine my remarks on the second reading of this Bill to the debatable question of expenditure on the Federal Capital. I wish to set out the case as I see it in a fair, calm way, and from a national point of view, without any reference whatever to parochialism, for the passage of the item in this Bill to enable the Government to go on with the work of establishing the Federal Capital.

The PRESIDENT (**Senator the Hon. T. Givens**).—If the honorable senator proposes to confine his remarks to that subject I point out to him that Federal Capital expenditure is dealt with in one item of the Bill, and it would be very much better that it should be discussed in Committee.

Senator PRATTEN.—I desire to remind, you, sir, that under the Standing Orders our remarks in Committee are limited to fifteen minutes at any one time. While I have no wish to unduly prolong the debate on this Bill, I have a good many figures at my disposal in connexion with this subject, and I should like to be in a position to make a connected narrative. I, therefore, propose, and I assume I am strictly in order in doing so, to confine my remarks at this stage of the passage of the Loan Bill to the question of Canberra.

Of course, the foundation and basis of all this business is to be found in section 125 of the Constitution, which provides that—

> The Seat of Government of the Commonwealth shall be determined by the Parliament and shall be within the Territory, which shall have been granted to or acquired by the Commonwealth, and shall be vested in and belong to the Commonwealth, and shall be in the State of New South Wales, and be distant not less than one hundred miles from Sydney.
>
> Such territory shall contain an area of not less than one hundred square miles, and such portion thereof as shall consist of Crown lands shall be granted to the Commonwealth without any payment therefor.
>
> The Parliament shall sit at Melbourne until it meet at the Seat of Government.

I shall not take up the time of the Senate by recapitulating all that has been done to lead up to the present position. I have before me the index of the many parliamentary papers issued since the inception of Federation under the heading of "Federal Capital, Proposed Site." I need not follow the various steps that have been taken, and the references to the numerous reports of various districts suggested as suitable for the establishment of the Capital. Step after step was taken leading up to selection of the site by the Commonwealth Parliament, and it is set out in the Seat of Government Act of 1908 that—

> It is hereby determined that the Seat of Government of the Commonwealth shall be in the district of Yass-Canberra in the State of New South Wales.
>
> The territory to be granted to or acquired by the Commonwealth for the Seat of Government shall contain an area not less than 900 square miles, and have access to the sea.

This territory was surrendered by the Government of New South Wales to the Commonwealth by Act of Parliament upon the 18th October, 1909. Various committees sat in connexion with the different phases upon which further inquiry was required in regard to the selected territory, and as a result the Prime Minister forwarded to the Premier of New South Wales particulars of what the Commonwealth desired. An arrangement was

then arrived at under which New South Wales handed over to the Commonwealth all Crown Lands within the territory. Upon 13th December, 1909, the Seat of Government Acceptance Act was passed by this Parliament. That Statute ratified the agreement made between the Commonwealth and the State of New South Wales, and became operative on 22nd January, 1910, under a proclamation dated 18th January of that year.

The next milestone in connexion with this matter took the form of a Loan Act, which was passed by this Parliament on 22nd December, 1911, and which authorized the Commonwealth to borrow up to £600,000 for the acquisition of land in the Federal Territory. I shall not follow the many steps that were taken in connexion with the acceptance of a design for the laying out of the Federal Capital. Honorable members know that architects, town-planners, and designers throughout the world were invited to send in plans for the lay-out of the Federal Capital city. The net result was that, after various Boards had been appointed, a design was accepted, and the ceremony of laying the foundation stone of the commencement column, and of naming the Federal Capital itself, was performed by the then Governor-General, Lord Denman, upon 12th March, 1913.

Coming to matters of more recent history the Minister for Home and Territories, in another place, recently gave particulars of the money which had been expended upon the Federal Capital.

Senator Senior.—Up to what date?

Senator PRATTEN.—He said that the total expended upon the Federal Capital up to date was £1,738,639.

Senator J. F. Guthrie.—Scandalous!

Senator PRATTEN.—Of that amount £740,000 has been expended upon the resumption of land, and the balance of £980,000 upon works which, if considered fairly, will be admitted to be necessary for the carrying out of the Federal Capital scheme. He included in that expenditure such sums as £110,000 for essential power, £244,000 upon the water scheme—one of the finest in the Commonwealth, was his comment—£39,000 upon a sewerage system, £57,000 upon the railway, £45,000 upon the brickworks, and £83,000 upon roads.

Senator Senior.—Are the brickworks working now?

Senator PRATTEN.—I do not think so. I understand that they have already produced a million bricks which are available for the commencement of building operations at the Capital. The Minister, in another place, also stated that so far, only £58,000 has been expended upon buildings within the Capital area. I would point out to honorable senators that the land belonging to the Commonwealth in this Territory embraces an area of 900 square miles, and that most of that land has been given to the Commonwealth by the State Government without fee or other charges, in the performance of its part of the compact for the building of the Federal Capital Nine hundred square miles, roughly, represents 600,000 acres, so that if the sum of £740,000 has been expended upon the resumption of land in the Federal Territory, that expenditure represents an average of only 25s. per acre.

Senator Duncan.—It is worth £10 an acre.

Senator PRATTEN.—When the war broke out all expenditure within the Federal Territory, with the exception of the minimum that was required for the upkeep of works that had already been started, was suspended, and rightly so.

Something will probably be said in regard to the feeling of the people of New South Wales upon this matter. The *Sydney Morning Herald*—and I quote its statements as fairly reflecting the opinion which exists in the Mother State upon this question—only a month or two ago wrote—

> The Federal Constitution solemnly provided that the Federal Capital should be built somewhere in New South Wales beyond a radius of 100 miles from Sydney. The years roll by. A site is chosen with great deliberation, and more years roll by. Melbourne acquires a vested interest as the Seat of the Commonwealth Parliament, and regards herself as the capital, *de facto*, if not *de jure*.

Another extract from the same journal reads—

> It is a commonplace that Federal administration and legislation are coloured by the fact that the Seat of Government is in Melbourne, and that Melbourne exercises an influence in Federal affairs which the Constitution was expressly designed to deny to any State capital.

Senator Earle.—Why illuminate these State jealousies?

Senator PRATTEN.—Assertions are being made in Melbourne to-day that New South Wales does not care whether she gets the Federal Capital or not, and I am attempting to show, by extracts from the leading newspapers of that State, what is the feeling of her people upon this matter. As one of the representatives of the Mother State I affirm that the extracts which I am quoting fairly reflect the feeling of a majority of the electors there. The Sydney *Daily Telegraph*, writing upon this question, says—

> There cannot be a satisfactory Government of Australia until that Government is housed in its own Territory, away from the local influences, which have now grown so strong that any serious movement to transfer the Federal Government to its proper home is actually resented as an attack upon the long-established privileges of Melbourne.

Still another extract reads—

> The unearned increment of property and values in the Federal Territory would accrue to the Government, and we know that a substantial set-off to the cost of the Capital at Canberra would be represented by the rents which the Commonwealth Government now pays to private owners in Melbourne. But this is not an occasion for counting merely the cost. The Government of Australia cannot be truly national until it functions from its own home. The aspirations of Australia, as well as its Constitution, demand the creation of a Capital in whose serene air the national business may be conducted as remote from the influence of cities like Sydney and Melbourne as Washington is from that of Chicago or New York.

Senator BENNY—Is it a fact that the electors of New South Wales accepted the Constitution when it did not contain provision for the establishment of the Federal Capital within the borders of that State?

Senator PRATTEN.—It is not a fact. Upon the occasion of the first referendum, New South Wales rejected the Constitution.

Senator KEATING.—She accepted it, but she did not obtain the majority for which provision was made in the Statute.

Senator PRATTEN. — Consequently she rejected the Constitution upon the first occasion upon which a referendum was taken on the matter. When the electors of New South Wales accepted the Constitution, it did contain provision for the establishment of a Federal Capital within the borders of that State. In the course of a reply to a deputation upon this matter some little time ago, the Prime Minister stated—

> Unless the Federal Government was established in its own home, it was in danger of being involved in a maelstrom of State politics and the clashing of State influences. America supplied us with an example.

I should now like to touch for a few moments upon another aspect of this question, which, so far as I am aware, has not previously been dealt with. References have been made to the choice of Washington, and to the creation of the district of Columbia in connexion with the building up of that great nation, the United States of America. Those who have read the history of the first twenty, thirty, or forty years of that country must be struck by its many points of similarity to our own history. There were State jealousies, threats of secession, and controversies regarding the capital site. The wise builders of the great American nation, therefore, decided that the Federal Capital should be established altogether outside the influences of the States.

Senator EARLE.—Was that the reason?

Senator PRATTEN.—As a result, Washington and the district of Columbia were chartered in the year 1803—a little less than thirty years after the establishment of the United States Federation.

Senator EARLE.—Was not the main reason for establishing the Federal Capital at Washington a desire to obtain protection from attack by sea?

Senator PRATTEN.—If it were, the same reason would remain for us to-day.

Senator KEATING.—A much stronger reason to-day.

Senator PRATTEN.—That is so.

Senator EARLE.—The attack would be from the air.

Senator PRATTEN.—But coming, in the first place, from the sea. The city of Washington is co-extensive with the district of Columbia, which is 60 square miles in extent. When Washington was first established, it contained only about 8,000 or 9,000 people; but in 1860 the population was 61,000; it grew to 109,000 in 1870; 203,000 in 1885; 230,000 in 1890; and in 1920 it was 437,000. Ottawa was originally incorporated in 1827, and the population of the city municipality grew from 24,000 in 1871, to 31,000 in 1881; 44,000 in 1891; 59,000 in 1901; and in 1917 it was 101,000. The

value of the old Parliament House, which I assume was the cost of it, was about £200,000. What is important also is that the assessment of Ottawa in 1913 was over £26,000,000; and in 1917, over £29,000;000.

I am trying to put up a reasonable business case for the building of our Federal Capital, and it will be interesting to make an analysis of unimproved capital values in two or three directions, to enable us to make some sort of guess or reasonable forecast of what will happen in the way of increment, which will eventually come to the Commonwealth, upon land in the Federal Territory. I have given figures for Ottawa, which do not directly bear upon the unimproved capital value position of the Federal Territory, because the assessment of Ottawa also includes improvements. But in Sydney and suburbs the unimproved capital value in 1907 was £39,791,000, or about £72 per head; while on the 31st December, 1917, a little more than ten years afterwards, when the population had increased from 550,000 to 762,000, the unimproved capital value had gone up to nearly £68,000,000, or an average of £89 per head. To take an illustration at the other extreme, let me make a comparison with an average country town in New South Wales, such as Orange. There are about 7,000 people in Orange. The local government area consists of 1,325 acres, and the unimproved capital value is £335,000. We get, then, a creation of land values by 7,000 people at nearly £50 per head, and a creation of land values by 750,000 people in Sydney at approaching £100 per head.

In 1909, the Commonwealth Statist predicted that the population of Australia in 1920 would approximate 5,227,000 people. The total population of Australia in March, 1920, was 5,274,000 people, or about 50,000 more than the Statist predicted over ten years ago. I think, therefore, we may pay a little attention to some figures that he gave in connexion with the possibilities of the Federal Capital to the then Minister, who I believe was Mr. (now Sir George) Fuller. Remember that these figures were given by the man who, ten years ago, made that marvellous prediction about the population of Australia to-day. He estimated in 1909 that, for the then Commonwealth requirements, the minimum population that the Federal Capital could possibly carry was 8,000 people, and that there would be a minimum increase of 4,000 people at the Capital for every addition of 1,000,000 to the population of the Commonwealth. He estimated that there would be over 6,000,000 people in Australia in 1930, and over 7,000,000 people in 1940. Starting, then, with a minimum population of 8,000 people in the Federal Capital, based on the Commonwealth requirements at the time he made the prediction, he estimated that in ten years the extreme minimum population would be 12,000, and in twenty years 16,000. But since 1909, the Commonwealth activities may reasonably be said to have quite doubled; so that, based on the Statist's figures, the minimum population with which we can start Canberra to-day to carry out all our functions of government, is 16,000 persons. Again, based on the Statist's figures, those 16,000 persons in ten years' time will show a minimum increase of 50 per cent. Consequently, if we start the Federal Capital now, there must be in Canberra in 1930 a population of nearly 25,000 people, based on the Statist's computation. I have shown that in a small local government area like Orange 7,000 people have increased the unimproved value of land from nothing to £50 per head.

Senator J. F. Guthrie.—Then you admit that the Federal Capital land now is worth nothing?

Senator PRATTEN.—Let me proceed with a further computation based on the figures I have given. If we are going to have in 1930 a minimum population of 25,000 people in the Federal Capital to carry on the services, administration, and government of the Commonwealth, the actual experience of Orange and other country towns proves that that population will add at least £50 per head to the unimproved capital value of the Territory, or an increment of £1,250,000. But it is reasonable to assume that they will add more than that, because, as I showed in the case of Sydney, a population adds value in a geometrical and not in an arithmetical ratio. That increment to the unimproved

capital value will take place in a Territory of 900 square miles, or 600,000 acres in extent. In addition to this unearned increment, which will all accrue to the Commonwealth, we shall save a good many thousand pounds per year in rents that are paid in Melbourne. We shall save the total *per capita* tax on the whole of the population in the Federal Territory. We may reasonably assume that, capitalized, the Federal land will return the Commonwealth 5 per cent.

Senator J. F. GUTHRIE.—Does it do so in the Northern Territory?

Senator PRATTEN.—The Northern Territory is no illustration of the present position. I am speaking of the addition that population gives to the value of land. Consequently, we approach the sum of £150,000 per year which will accrue to, or be saved to, the Commonwealth as the result of removing the Seat of Government to Canberra. That represents interest on £3,000,000. I submit, therefore, that the Federal Capital will not cost the Commonwealth Government the many millions that some of its critics say it will.

As a business man, I think we have a liability to New South Wales that should be discharged. There are also other liabilities to which the Commonwealth is committed. We should convert this Federal Capital liability into an asset. No candidate dares to go upon any political platform in New South Wales, whatever party he belongs to, and say that he does not believe in carrying out the compact with regard to the Capital. Mr. Storey, the present Premier of New South Wales, said only a week or two ago in the New South Wales Parliament that his Labour Government would give every facility to the Commonwealth Government to get on with the work. The whole of the people of New South Wales, so far as their views are expressed by their political representatives, are unanimously in favour of going on with the work forthwith. The Capital will give some hope of decentralization. It has access to the sea so far as Jervis Bay is concerned. The New South Wales taxpayers themselves will pay half of the money that will be spent upon this scheme. We of New South Wales are the people who are concerned as a State, and we are the people who are chiefly concerned as taxpayers. I hope that this State's House, formed originally by the Constitution to protect State rights, will take a large-minded view of this matter, and pass the item as one long overdue in connexion with the foundation of our Federal Constitution.

Senator **EARLE** (Tasmania) [11.45]. As a second-reading debate has been started on this measure, I may be permitted to refer to certain items upon which I desire some further enlightenment. The first, I notice, is the proposed vote for the London office, £60,612. I should like to know the policy of the Government concerning Australia House and the London office generally; whether, by the expenditures of this vote, it is intended to make the London office more characteristically Australian and more actively concerned with our interests than has been the case for some years past. All the Tasmanian representatives in this Chamber have received an extensive letter from the Agent-General for Tasmania stating that Australia House might very well be used to a greater extent as an advertising medium for the products of Australia than it is to-day. He points out that there are several very fine display windows on the Strand side, and that at present these are used practically exclusively for the lighting of the banking chamber. The whole of these windows, as well as the main hall, he says, should be used for the display of Australian products in order to attract the attention of the millions of people who pass down the Strand. Honorable senators know that if people have to enter any special hall for the purpose of viewing products, the chances are they will not do so; but, that if these products are properly displayed in a convenient location, their attention will be drawn to them.

Senator ROWELL.—Have not most of the State Governments taken possession of Australia House?

Senator EARLE.—They had not up till lately, at all events.

Senator ROWELL.—The Victorian Government secured one of the best sites.

Senator EARLE.—The Agent-General for Tasmania states that the majority of the States are in the main hall.

Senator KEATING.—And I think he says that the whole of the windows on the Strand side are not even occupied.

Senator EARLE.—That is so. And he draws attention particularly to the

fact that if used as an advertising medium, they would be of incalculable benefit to the Commonwealth, because then the people would be able to see the products as they passed along the Strand. They would then probably be induced to make further inquiries into the resources of the Commonwealth, whereas if they were required to make a special trip into some hall to view the products of this country probably they would never see them.

Senator Thomas.—Why does not Tasmania secure some part of Australia House?

Senator EARLE.—The Government have done so. They were the first among the State Governments to recognise the value of Australia House; but, as Tasmania is a small community with a comparatively small business and small revenue, the cost, at that time, was too great; but they have now shifted from Victoria-street to Australia House. They recognised from the very beginning the desirability of the whole of the States being associated with Australia House.

I come now to the item £15,000 for Kirribilli House, Sydney. I have not the remotest idea what the vote is for, but if it is to be expended on a residence, already erected, for the Admiral, it seems to me a considerable sum of money.

Under the control of the Department of Works and Railways there is also a proposed vote of £14,787 for the Williamstown Ship Building Yards pumping plant. In connexion with this matter, I would remind honorable senators that the Public Accounts Committee made an investigation recently and found that the work was not being carried out in the most economical manner. It is desirable, if the Commonwealth is to continue in the ship-building industry, to have ample room for the laying down of three, four, or five ships instead of only two, so that the overhead charges may be spread over the whole of the operations. The question which exercises my mind is the suitability of Williamstown as a ship-building yard. I should like to know if the Government have made inquiries as to the possibility of purchasing more land at Williamstown to allow of an extension of the yards to provide for the most modern system of shipbuilding, including the use of overhead cranes, and to make it possible to lay down at least three, and, for preference, four, keels at one time. If they have made these inquiries and find that they cannot get a sufficient area at Williamstown, the best thing they can do is to shift operations to some other locality, because the local conditions at Williamstown are by no means favorable, the rise and fall of the tide being only about 3 feet. Its principal recommendation, of course, is its proximity to a large population.

The next item to which I desire to refer is that mentioned by Senator Pratten, at some length. The honorable senator's address was reminiscent of the past. It was historical, interesting, and reminded us forcibly of our obligations under the Constitution. We are, no doubt, all agreed upon that point, but I should like to state my own position. An obligation is imposed on us by the Constitution to proceed with the building of the Capital City, but in my opinion the condition is a foolish one and should never have been inserted in the Constitution. Some time ago I threw out a suggestion that, even at this late hour, if the Government are not too far involved in construction works at the Capital site, the whole position might be reviewed.

Senator Russell.—We are only involved by the action of this Parliament.

Senator Benny.—Sometimes it is better to cut the loss.

Senator EARLE.—The main reason for the establishment of an inland capital—I refer to the danger of attack from the sea—has now been removed. An enemy would not now attack a capital city from the sea only, but from the air as well, and so I suggest that a referendum be taken of the people in New South Wales to see if they are agreeable to an amendment of the Constitution, to provide that the Seat of Government be in Sydney, or to allow it to remain where it is. I do not care personally.

Senator Duncan.—You could not leave the settlement of that question to the people of New South Wales alone.

Senator EARLE.—Let me finish what I intended to say. After we had obtained the opinion of the people of New South Wales, the question could then be submitted to the whole of the people, who alone have the power to amend the Constitution. I shall be quite satisfied with their decision.

Senator DUNCAN.—A referendum would cost as much as the amount on the Estimates.

Senator EARLE. — No; it could be taken at a suitable time, and the cost of a special referendum thus avoided.

Senator RUSSELL.—What kind of a judgment would we get from such an appeal?

The PRESIDENT (**Senator the Hon. T. Givens**).—Order! A discussion along the lines now being taken is entirely out of order. I allowed Senator Pratten to discuss, in some detail, the minor provisions of the schedule, and I cannot therefore very well prevent Senator Earle.

Senator EARLE.—I do not want to continue, Mr. President.

The PRESIDENT.—I merely wish to point out that if every other honorable senator were allowed to debate the Bill and schedule in detail the discussion on the second reading would be interminable. I draw the attention of honorable senators to the practice laid down in the latest edition of *May*, page 356—

> The second reading is the most important stage through which the Bill is required to pass, for its whole principle is then at issue, and is affirmed or denied by a vote of the House; though it is not regular on this occasion to discuss, in detail, its several clauses, and this principle has been enforced. . . .

The practice is quite clear. It was entirely my fault that I allowed Senator Pratten to make an extended reference to certain items in the schedule, and therefore I do not propose to limit Senator Earle; but I must remind honorable senators that detailed discussion of every item is not in order at this stage of the Bill.

Senator EARLE.—I agree with your ruling, Mr. President, and bow to your decision. I felt that we were indulging in rather a detailed discussion. All I am going to say, in conclusion, on this question is, that the present is the very worst time for the Government to indulge in expenditure on the Federal Capital. All the material required for the construction of the Federal Capital, which it is proposed to purchase with the £150,000, is at present at inflated values, and the expenditure of the amount I have mentioned, if deferred for a few years, would do 50 per cent. more than it can to-day.

There is also another point of great importance. The time is not far distant when this Parliament will be called upon to find employment for a large number of Australian people. To-day there is undoubtedly a dearth of labour in Australia, but the occasion may arise when the Commonwealth Parliament and the Parliaments of every State will have to find work for the people, and we would be fortunate indeed if we had the amount that is set down in the schedule for the Federal Capital to expend in this direction. While recognising the justice and accuracy of Senator Pratten's statement, I appeal to him to agree to this item being deferred to a more opportune time. For the reasons given, it is my intention to record my vote against the expenditure.

There is also an item dealing with the erection of cottages at Lithgow. The amount already available under appropriations made by previous Acts is £29,858, and we are appropriating under this measure an additional £18,923. I desire to ask the Vice-President of the Executive Council (Senator Russell) to give the Senate some information on this particular item, as I am anxious to ascertain whether, in connexion with the construction of these cottages, a system of modern town planning is being followed.

Senator PLAIN.—Absolutely.

Senator EARLE.—I am glad to have that assurance, because there are many places in Australia where extensive building operations are proceeding, and where the most modern practice is not being adopted. I shall not inflict any further punishment upon the Senate, but will record my vote as I have indicated on one particular item, and will be guided on the others by the explanation of the Minister.

Senator J. F. GUTHRIE (Victoria) [12.3].—Mr. President, do I understand that we are not allowed at this juncture to discuss the items in the schedule in detail, particularly as regards the contemplated waste of money in a certain direction?

The PRESIDENT (**Senator the Hon. T. Givens**).—The honorable senator will be quite in order in referring to items in the schedule, but he cannot discuss each item in detail on the second reading.

Senator J. F. GUTHRIE.—I think it would be wise to adjourn the debate at this stage, because we are being asked to sanction the expenditure of an amount of £4,286,490 without having had an opportunity of giving the items of expenditure the close attention they deserve. Honorable senators representing Queensland and Victoria are nearly all absent, helping their own party in the Queensland State election campaign. This measure has only just been circulated, and, as an enormous expenditure of money is involved, I shall be glad if the Minister will be prepared to grant an adjournment at this juncture.

The PRESIDENT.—As the honorable senator has already commenced his speech, he cannot now move the adjournment of the debate, but can ask leave to continue his remarks, which really amounts to the same thing.

Senator J. F. GUTHRIE.—Then I ask leave to continue.

Senator PRATTEN.—I do not understand the position.

The PRESIDENT.—What is being asked for is equivalent to an adjournment of the debate; and, if that is granted, the Government will then proceed with the next item of business on the notice-paper. When Senator Earle concluded his remarks, it was open to Senator Guthrie to move the adjournment of the debate, but he did not adopt that course. He is now asking for leave to continue, which will amount to the same thing, as the debate will automatically be adjourned if the Senate so agrees.

Senator PRATTEN.—Would I be in order, Mr. President, at this stage, in making a few remarks?

The PRESIDENT.—No. In order to make the position quite clear, I may explain that Senator Guthrie has asked for leave to continue his remarks. Is it the pleasure of the Senate that the honorable senator have leave to continue his remarks on the resumption of the debate?

Senator PRATTEN.—No.

The PRESIDENT.—As the decision of the Senate must be unanimous, I ask Senator Guthrie to proceed.

Senator J. F. GUTHRIE.—Senator Pratten has delivered an able speech from his point of view. He is a keen representative of the State of New South Wales, and one can understand his attitude on the question of commencing work at Canberra. Going through the items in the schedule, we see that there is an amount of £150,000 for temporary buildings in the Federal Territory; but surely the time is not opportune for an expenditure of such magnitude, which cannot be considered reproductive. We are up to our eyes in debt, and have a huge external obligation. The Treasurer (Sir Joseph Cook), in his Budget speech, time and again referred to our enormous debt, and to the necessity for economy. We know that Australia's total external debt is £656,000,000, or £113 per head of population. The Treasurer, in his Budget speech, says on page 5, "We shall act prudently if we brace ourselves meantime to the alternative of paying our own debts." Later he says, "Greater production, less consumption of goods, and reduced expenditure, both public and private." In face of these very wise remarks of the Treasurer, it appears that a keen attempt is being engineered, no doubt by the Federal Capital League of New South Wales, to, as Senator Fairbairn has said by interjection, "bullock" this item through, and at a time when the Victorian and Queensland representatives in the Senate are away helping our own party in a strenuous election campaign. As regards our own debt we are indebted to the British Government for money paid in connexion with our soldiers and sailors, approximately £42,000,000. Again referring to the necessity for economy, the Treasurer, in his Budget speech, on page 23, under the heading of "Economy," says—

> There is considerable public opinion, which is urgently asking for economy in the shape of large reductions in Government expenditure. With this there should be no quarrel.

That is the opinion of the Treasurer. On page 24 he further states—

> Over all there is a very serious extra cost of commodities to be faced. Nearly all of the very large supplies of stores and materials which are used in Government Departments have greatly increased in cost.

That is a very strong argument against the expenditure of this money on temporary buildings at Canberra, but we are setting out to waste a very large sum on building a bush capital at a time when all the material required is at its very highest

cost, higher, in fact, than it has ever been in our history.

Senator DE LARGIE.—It will still be a bush capital when it is completed.

Senator J. F. GUTHRIE.—It will always be bush. I do not believe in the policy, but I presume it has to be carried out at some time. It is not wise to proceed with the work at present, because the position is totally different to what it was before the war. No one knew that we were to be engaged in such a conflict at so great a cost, and it could not be perceived in the early days of Federation that we were to be loaded up with a huge debt that may be very difficult to liquidate. It is absurd for the representatives of the Government, or any honorable senators, to take the public platform and refer to the need for economy, and then advocate the spending of millions on a bush capital. I do not approach this question in a parochial spirit, and I realize that some honorable senators may think that, because I represent the State of Victoria, I am opposed to the Federal Capital being constructed in New South Wales. That is not my attitude. I would not protest if the Seat of Government were transferred to Sydney, but I do object to unnecessary expenditure of the taxpayers' money at such a critical time in our national history. The whole thing is reeking with extravagance. We are, as it were, on the crest of the wave, and Australia, both publicly and privately, is living beyond her means. I was glad to see that New South Wales was not altogether unanimous on this question, because, last week, two or three resolutions were carried in New South Wales protesting against the expenditure of the money on useless unproductive public works.

Senator PRATTEN.—The honorable senator can only name one authority that has protested.

Senator J. F. GUTHRIE.—Instead of throwing away £150,000 on iron huts at Canberra, when iron is at a very high price, we should be spending money on such reproductive works as the conservation and distribution of water, which should really be our religion in this country, and on railways and immigration. There is a paltry sum of £100,000 for immigration. We are holding a great empty continent, and at a time when population is necessary in the interests of production, and for defence purposes, we are not spending nearly sufficient on immigration. The cheapest way to defend the country is to populate it.

Senator RUSSELL.—That amount is to cover only a few months.

Senator J. F. GUTHRIE.—What period will expenditure of £150,000 on the Federal Capital cover? This is merely a commencement. In relation to the necessity for population, which is more important than anything else, I desire to quote the latest figures of the Government Statist. The Commonwealth consists of 2,974,581 square miles, and we have a population of 5,247,019, or 1.76 persons to the square mile. Victoria has 17.02 persons to the square mile—an easy first; Tasmania has 8.27; and New South Wales 6.47. The Northern Territory has .009.

The PRESIDENT (**Senator the Hon. T. Givens**).—I cannot allow the honorable senator to proceed, as his remarks have not a direct bearing on any items in the schedule.

Senator J. F. GUTHRIE.—I was endeavouring to show that it is unnecessary to waste public money by spending £150,000 on a bush capital when it could be more effectively spent in other ways. There is no public outcry for the "bush" capital, but quite the reverse. The whole trouble in connexion with this matter is due to two curses that are afflicting New South Wales; that is to say, the Millions Club, composed of people who desire that there should be a million people crowded in one city instead of being scattered over the country, and the Federal Capital League. Already no less than £1,738,000 of the people's money has been squandered by the Government on this project. We heard that from Senator Pratten this morning.

Senator PRATTEN.—The honorable senator did not hear the word "squandered" from me.

Senator J. F. GUTHRIE.—No, I added that word myself.

The PRESIDENT (**Senator the Hon. T. Givens**).—I have already ruled that there cannot be a prolonged debate on this matter on the second reading of the Bill, and I have allowed one honorable senator to reply to Senator Pratten. Whilst a passing reference to particular items in the schedule to the Bill is in order, each

of the items cannot be discussed in detail at this stage. To permit that to be done would only lead to duplicating discussion and to debate on the measure being interminably prolonged. There will be plenty of opportunity for honorable senators to discuss the item that has been referred to when the Bill is being considered in Committee.

Senator J. F. GUTHRIE.—I do not quite realize how far I am permitted to go in opposing the proposed expenditure in the Federal Territory. I am at a disadvantage in not knowing to what extent I may discuss the matter now.

Senator Buzacott.—Let the honorable senator ask leave to continue his remarks.

Senator J. F. GUTHRIE.—I ask that I may have leave to continue my remarks.

The PRESIDENT.—Is it the pleasure of the Senate that Senator Guthrie have leave to continue his remarks?

Senator Pratten.—No.

The PRESIDENT.—The leave must be unanimous, and as Senator Pratten has expressed his dissent, Senator Guthrie must proceed.

Senator Pratten.—Perhaps Senator Guthrie will explain the reason why he asks for leave to continue his remarks.

Senator J. F. GUTHRIE.—I simply wish to make my protest, as a member of the Senate, against this item of expenditure.

Senator de Largie.—That is not much of a reason.

Senator J. F. GUTHRIE.—I ask for an adjournment of the debate because the item is of so much importance, and several honorable senators representing Queensland and Victoria are absent upon public business.

Senator Duncan.—They have been paired, and there are two Ministers absent.

Senator J. F. GUTHRIE.—I am at a disadvantage as a new member of the Senate if I am not granted leave to continue my address.

Senator Pratten.—How would that help the honorable senator?

Senator J. F. GUTHRIE.—It would help me, because I wish to prove that I am right in this matter and that Senator Pratten is wrong.

Senator Duncan.—Why not do it now?

Senator J. F. GUTHRIE.—Because I can speak for only a few minutes on this particular item.

Senator Duncan.—The honorable senator can do no more if he is given the adjournment of the debate.

Senator J. F. GUTHRIE.—Very well, I shall go on until I am pulled up again.

I say with respect to this huge expenditure of £1,738,000 on the Federal Territory that, as a business principle, the first loss is the best, and we should not continue such expenditure. I notice that the Labour party are not in favour of it. It will be of no advantage to them. I find at page 3169 of *Hansard* that Mr. Considine, the member for Barrier, said—

> It makes no difference to the working man of Australia whether the Capital is at Broken Hill, Canberra, Newcastle, or Melbourne.

A representative of a Victorian constituency in another place said that, rather than continue the waste of money at Canberra, he would let New South Wales have the Capital in Sydney.

One statement made by Senator Pratten has my support, and that is his reference to the fact that what we need in Australia is decentralization. I remind the honorable senator, however, that whilst the Federal Territory at Canberra comprises an area of 900 square miles, the area of another Federal Territory, the Northern Territory, is 523,620 square miles, and we should be doing more for the policy of decentralization, and would be further removed from the bogy of the press if the Federal Capital were established at Newcastle Waters, or at the Government "Freak" Farm, at Batchelor. We might, at the same time, introduce a tax on bachelors.

On the subject of economy, and the present disturbed state of finance throughout the world, including Australia, I might direct the attention of honorable senators to the fact that recently an international memorial was addressed by a representative of each of the following countries to their Governments:—United Kingdom, United States of America, France, Holland, Switzerland, Sweden, Norway, and Denmark, in which the following clause was contained:—

> There can be no social or economic future for any country which adopts a policy of

meeting its current expenditure by the continuous inflation of its circulation, and by increasing its interest-bearing debt without a corresponding increase in its tangible assets.

I say that to erect at Canberra a number of unnecessary buildings, and particularly temporary buildings, which in time will become valueless——

The PRESIDENT (**Senator the Hon. T. Givens**).—I am afraid that the honorable senator is again disobeying my ruling by discussing in detail a particular item of the schedule.

Senator J. F. GUTHRIE.—I ask leave to continue.

The PRESIDENT.—Is it the pleasure of the Senate that Senator Guthrie have leave to continue his remarks?

Senator PRATTEN.—May I ask what would be the result if leave were given?

The PRESIDENT.—It would be equivalent to an adjournment of the debate, and a particular date would have to be set down for the resumption of the debate. Is it the pleasure of the Senate that Senator Guthrie have leave to continue his remarks?

Senator COX.—No.

The PRESIDENT.—The leave must be unanimous. The honorable senator must proceed.

Senator DUNCAN.—The honorable senator can refer to the matter in Committee.

Senator J. F. GUTHRIE.—If I deal with the matter in Committee, I may have to cease speaking when I have but half completed what I desire to say.

In my opinion, temporary buildings erected at Canberra cannot be regarded as a tangible asset. Much of the present prosperity in Australia is artificial. We are all too optimistic. The seasonal position is good, but we must remember that enormous losses of stock have taken place. In 1891 we had in Australia 106,000,000 sheep. To-day we have only 76,000,000. This represents a decrease of 30,000,000 head of sheep. We are living in a fools' paradise, and in conditions of inflated prosperity, due largely to the circulation of too much paper money.

Senator PRATTEN.—Our sheep may be worth to-day twice what they were previously worth.

Senator J. F. GUTHRIE.—That may be so, but it is due to the intelligence of Australian sheep breeders, who have proved themselves past masters at their work. We are now looking forward to an enormous income from wheat. But, whilst the crops are looking well, you have never got wheat until you have it in the bag.

I take exception to item after item in the schedule to this Bill, and I wish to protest against the extravagance of the Government in expenditure. Not enough consideration is given to items of expenditure, and if we go on spending in the ratio of the past, and have strikes and a slowing-down policy as well, we have a very bad time ahead of us. I think that we should drop parochialism, and all pull together to economize and produce. If we continue this extravagance we must look for trouble. Extravagance by the Government will lead to a financial crisis, and a financial crisis breeds the very gravest form of discontent. We have a much more serious political, financial, and industrial time ahead of us in Australia than people are generally inclined to think, because we are enjoying an inflated prosperity at the present time, and I wish again to protest against this unnecessary expenditure of money upon temporary buildings at Canberra.

Motion (by Senator BOLTON) proposed—

That the debate be now adjourned.

Question put. The Senate divided.

Ayes	10
Noes	11
Majority	1

AYES.

Benny, B.	Henderson, G.
Buzacott, R.	Rowell, J.
Drake-Brockman, E. A	Senior, W.
Elliott, H. E.	
Fairbairn, G.	*Teller.*
Guthrie, J. F.	Bolton, W. K.

NOES.

Bakhap, T. J. K.	Newland, J.
Cox, C. F.	Pratten, H. E.
Duncan, W. L.	Russell, E. J.
Earle, J.	Thomas, J.
Keating, J. H.	*Teller.*
Millen, J. D.	De Largie, H.

Question so resolved in the negative.

Senator ELLIOTT (Victoria) [12.30].—I am disappointed at the attitude adopted by the Minister in regard to the request for an adjournment of the debate.

Senator Russell.—I think that the Minister has a grievance against supporters of the Government for not having consulted him in this matter.

Senator ELLIOTT.—It is well known to honorable senators that many members of the Senate are absent upon political business elsewhere.

Senator Earle.—They are paid to be here.

Senator ELLIOTT.—There are very important reasons why they are absent, and it would be a fair thing if the Vice-President of the Executive Council (Senator Russell) afforded them an opportunity of being present to vote upon this measure.

Senator Russell.—Put private business before public business? I would not think of it for a moment.

Senator ELLIOTT.—Those honorable senators are engaged upon public business at the present time. All the Queensland representatives are absent, and so are the Victorian representatives in this Chamber.

Senator Thomas.—There are five Victorian senators present out of six.

Senator ELLIOTT.—At any rate, a great many honorable senators are absent.

Senator Keating.—They all knew that this matter was coming up for discussion.

Senator Russell.—The Queensland senators certainly knew it, because I have been receiving wires from them.

Senator Thomas.—Were they asking for an adjournment of the debate?

Senator ELLIOTT.—I know that they have asked for pairs upon this question, and that their request has been refused. I am greatly disappointed with the attitude that has been taken up by the Vice-President of the Executive Council upon this matter.

The PRESIDENT (**Senator the Hon. T. Givens**).—The honorable senator is not in order in discussing the question of an adjournment of the debate. He must confine his remarks to the motion for the second reading of the Bill.

Senator ELLIOTT.—When we were invited to support the Ministry at the recent elections, one of the main planks in their platform was that the strictest economy would be observed during this session.

Senator Duncan.—And another of the main planks was that the work of building the Federal Capital at Canberra should be proceeded with.

Senator ELLIOTT.—So far as I am aware that matter was never mentioned.

Senator Duncan.—Look at plank 12 of the party platform, to which the honorable senator himself subscribed, and upon which he was elected.

Senator J. F. Guthrie.—I never saw it.

Senator Duncan.—The honorable senator says that he was elected upon a platform which he never saw.

Senator ELLIOTT.—The pledge to observe economy given by the Ministry at the recent elections is not being respected. I feel very strongly upon this matter of proceeding with the building of the Federal Capital at Canberra.

Senator Thomas.—The expenditure of the other £4,000,000 provided for in the Bill is all right?

Senator ELLIOTT.—It is very difficult for a private member to put his finger upon any spot, and to say that too much money is being expended here or there. But, obviously, the proposed expenditure upon the Federal Capital is quite unnecessary. When we find the Government disregarding an opportunity to save £150,000 or £160,000, we naturally look with great anxiety upon the other items in the schedule to the Bill—items about which it is not possible to gain adequate information, and upon which, therefore, one is not qualified to speak. Take, for example, the proposed expenditure of £64,000 upon the London offices. Are we in a position to say whether that expenditure is warranted? We can only assume, from the attitude of the Government with regard to the operations at Canberra, that they are equally indifferent to the welfare of the country in other directions.

Senator Pratten.—Did the honorable senator subscribe to the Bendigo platform at the last election?

Senator ELLIOTT.—I certainly did not support any proposal for expenditure upon the Federal Capital.

Senator PRATTEN.—Did not the honorable senator say that he agreed with the Prime Minister and with the policy of the National party?

Senator ELLIOTT.—I do not know what Senator Pratten signed, but I certainly signed no platform whatever.

Senator PRATTEN.—I did not ask the honorable senator what he signed, but what he said.

The PRESIDENT (**Senator the Hon. T. Givens**).—Order! Senator Elliott has a right to be heard in silence.

Senator PRATTEN.—Did the honorable senator ever support the Bendigo platform?

Senator ELLIOTT.—I gave a general support to the policy of the Ministry, but I did not support any expenditure upon Canberra. In fact, I feel so strongly upon this matter that I have no desire to sit behind the Ministry if they are going to incur this expenditure. I shall form a party of my own.

Senator J. F. GUTHRIE.—We shall join the Country party.

Senator ELLIOTT.—I again express my profound dissatisfaction with the general policy of the Government in this regard.

Senator **FAIRBAIRN** (Victoria) [12.37].—I suppose that it is useless to appeal to the Vice-President of the Executive Council for an adjournment of the debate?

Senator RUSSELL.—When honorable senators had an opportunity to appeal to me they did not do so.

Senator FAIRBAIRN.—Well, I am now appealing to the Minister because I do not wish to take the business out of his hands, especially when his two colleagues are absent. But seeing that our finances are in such a straightened condition, this matter certainly demands the fullest discussion.

Senator THOMAS.—We wanted to save £750,000 yesterday, but the honorable senator voted against our proposal.

Senator FAIRBAIRN.—I do not know to what the honorable senator is referring. If the Vice-President of the Executive Council will not consent to an adjournment of the debate I shall have to join Senator Elliott's party.

Senator COX. — Make it a Victorian party.

Senator FAIRBAIRN.—It will not be a Victorian party, because it will embrace representatives of a good many other States. We certainly do not desire to rush expenditure, and I am afraid that the Government are not treating the financial position of the Commonwealth in the serious way that it deserves to be treated.

Senator THOMAS.—Why not make these remarks upon the Budget?

Senator FAIRBAIRN.—I should like to make my own remarks in my own way, and without a hint from my colleagues. I am here to represent Victoria—the garden State of the Commonwealth. In looking over the items contained in the schedule to this Bill, I feel bound to ask myself how the Government have arranged their financial policy. I understood that they intended to borrow only for reproductive public works.

Senator THOMAS.—Canberra will be a reproductive work.

Senator FAIRBAIRN.—Bother Canberra. The honorable senator has Canberra upon the brain. The Treasurer (Sir Joseph Cook) has declared that the policy of the Government is to borrow only for reproductive works. Yet the very first item that I notice in the schedule is one for the expenditure of £40,500 upon a research laboratory at Maribyrnong.

Senator RUSSELL.—That is to provide ammunition for the Defence Department.

Senator FAIRBAIRN.—That will not be a reproductive public work, and, consequently, the money for it should be provided out of revenue. Is the £4,000,000 odd, which is to be expended under this Bill, to be taken out of the last loan that we floated?

Senator RUSSELL.—No. This Bill is intended to authorize the flotation of a fresh loan of £3,000,000 odd for various public works.

Senator FAIRBAIRN.—Is the money to be raised locally?

Senator RUSSELL.—We must leave that to the discretion of the Treasurer.

Senator FAIRBAIRN. — Then I understand that the money for which provision is made in this Bill will be expended only after it has been borrowed?

Senator RUSSELL.—That is so.

Senator FAIRBAIRN.—We are now reaching a stage in our history when we shall find it impossible to borrow any more money, and, that being the case, the building of the Capital City at Canberra must be a work of the distant future. The Bill also provides for an expenditure of £187,000 upon Naval bases. This money should also come out of revenue, because Naval bases cannot be said to be reproductive works in any sense of the term. It is further intended to expend £100,000 upon the Kalgoorlie to Port Augusta railway. Nobody can call that a reproductive work.

Senator RUSSELL. — The honorable senator must recollect that a great portion of that line is not ballasted.

Senator FAIRBAIRN.—I agree with the Vice-President of the Executive Council that the ballasting of the line should be proceeded with, but I contend that the money for the work should come out of revenue. Then it is proposed to expend £6,000 upon the Port Augusta to Oodnadatta railway. That is not a very large amount, but I suppose its expenditure is merely for the purpose of keeping the line in repair. Ought we to borrow money to expend upon works of this description seeing that they are not of a reproductive character?

Senator RUSSELL.—Does the honorable senator say that a railway is not a reproductive work?

Senator FAIRBAIRN. — There is a huge deficit upon the working of the Oodnadatta railway every year.

Senator RUSSELL.—I never heard of a man who expected that line to pay when it was built. It was constructed with a national object in view.

Senator FAIRBAIRN.—But the expenditure upon it should come out of revenue. That is my point.

Senator THOMAS. — The honorable senator has no objection to work at Canberra being proceeded with if it be paid for out of revenue?

Senator FAIRBAIRN.—I would not have so much objection to it then. But I have not come to Canberra yet. I shall be glad if the honorable senator will permit me to "continue my conversation," if I may be permitted to use the words that were employed by a friend of mine in another place. I object to the amount which it is proposed to expend upon the London Offices. I do not know how the £64,000 provided for in the Bill is to be spent.

Senator RUSSELL.—We had three floors which we let temporarily to the Departments in England. Their tenancy has now been terminated.

Senator FAIRBAIRN. — Did the Prime Minister look into this matter when he was at Home? Three floors must be a good part of the building. Here is another £64,000 on the London Office. My goodness! No doubt the office is a splendid advertisement, situated, as it is, in one of the finest parts of the city of London, but I thought we had done with the expenditure on it. I wonder what return we shall get.

Senator ROWELL.—They will be able to let a large part of the building for offices.

Senator FAIRBAIRN.—I suppose so.

Senator RUSSELL.—Most of the States are negotiating for space there for exhibitions of their goods.

Senator FAIRBAIRN.—We should have some sort of estimate before passing this money, because we are, after all, the custodians of the public purse. We ought to know what interest this £64,000 will earn.

Senator RUSSELL.—It is to complete the job that has been going on for three or four years, and that was delayed by the war. You have had the estimates in full detail. We would not start to put up a new building in London now, but we have to finish the one that is partly built.

Senator FAIRBAIRN.—The matter has arisen so suddenly that I have not had time to look up the details.

Senator RUSSELL.—All these things have been in the Budget Papers for about five weeks.

Senator FAIRBAIRN.—I suppose I have to swallow them whole. I have mentioned some items of which I should like an account.

Senator RUSSELL.—I will give you all the detail you want about any of them in Committee.

Senator FAIRBAIRN.—There is an item for a residence for the medical officer at Thursday Island. Are we to have a special medical man there, with a special residence?

Senator RUSSELL.—We always do it. He is the quarantine doctor.

Senator FAIRBAIRN.—Does he not live at the hotel now? Are we to launch out in the expenditure of another £1,000, which will not build a house at Thursday Island fit for a doctor to live in? It is a most expensive place for building, and this amount will be only a first instalment. Later on we shall have to swallow another vote.

Senator RUSSELL.—This is the complete vote. It is the purchase price of a property which is suitable.

Senator FAIRBAIRN.—That is not so objectionable.

I notice that we are to build more lighthouses. I suppose they are required, because I understand that the lights on the Australian coast are very deficient.

Senator RUSSELL.—We want about four times as many as we have now.

Senator FAIRBAIRN.—There are also alterations to lighthouses; but, no doubt, those are necessary. The items I have mentioned, such as the London Office, Kalgoorlie to Port Augusta Railway, and the Port Augusta to Oodnadatta Railway, I should like to see transferred from Loan Account to Revenue Account. Then we should be paying our way, and know where we were.

There are also debatable items connected with the Capital at Canberra, which Senator Pratten has put forward in a very moderate light. He put it as a fair business proposition, but no doubt a great deal of sentiment attaches to it also. We have made a bargain, and our hands are, to some extent, tied; but when we made that bargain the people of New South Wales had no idea that such a terrible war was going to intervene, and that we would have to spend such an immense sum of money on the Federal Capital. Mr. Watt estimated it at £3,000,000. Senator Pratten calculated that 16,000 people would go there right away when the Capital was opened up. The housing accommodation alone for 16,000 people would come, at present prices, to about £3,000,000 more.

Senator PRATTEN.—But it will not all be paid by the Government. Those 16,000 people are principally civilians.

Senator FAIRBAIRN.—The whole lot of them will be officials. Nobody is going to live at Canberra if he can possibly help it.

Senator THOMAS.—Have you been there?

Senator FAIRBAIRN.—I have been within a few miles of it, but have never been actually there. What class of people do honorable senators expect will live there?

Senator PRATTEN.—The butchers, the bakers, and the candlestick-makers, and the hundred and one different people who make up a large city.

Senator FAIRBAIRN.—There will not be a candle in the whole place, but do doubt there will be a lot of "gas."

The people of New South Wales never contemplated that we would owe such a huge sum of money as the Commonwealth now does. We owe at the present time £437,500,000, including the note issue.

Senator THOMAS.—And you are kicking up a row about £150,000!

Senator FAIRBAIRN.—Yes. Senator Thomas could never have been in straitened circumstances or he would know that the time when a man really has to save is when he owes a lot of money. It is not a matter for joking when we find that the Federal debt amounts, including the note issue, to £437,500,000. Of course, there are many assets against it, but we may say that that is the absolute debt. No New South Wales man, when he voted for the Federal Capital site, contemplated or ever dreamed—although he might have had a nightmare—that this country would owe such an enormous sum.

There is no doubt that Australia has had a dreadful time in every way during the war, and its people have been greatly handicapped. So far as the Empire is concerned, we are the hardest hit part in every possible way. Our situation cannot be compared with that of Canada, which made good money out of the war.

Senator COX.—Did not we make good money out of it?

Senator FAIRBAIRN.—We certainly did not. What is the use of making good money when it all goes in taxation? I am surprised at the honorable senator's interjection. State and Federal income taxation in Queensland, on the top rates, is 11s. 6d. in the £1, and a great number of other things, not included in income taxation, have

to be met out of income. Australia, both in the number of our poor fellows who were killed, and the number wounded, was, next to Great Britain, the hardest hit part of the Empire, and, from a financial point of view, I can produce figures to show that we have been at least as hard hit, and that we owe as much, on account of the war, as the Old Country herself. Canada actually made money out of the war. Her income tax is only £2,000,000.

Senator THOMAS.—Do you mean that we owe as much per head for the war as the people of England do?

Senator FAIRBAIRN.—Very nearly, when we take off what England advanced to other countries, although some of that she may not get back. Taking those amounts off, she owes only about £4,000,000,000 owing to the war. Dividing that by ten gives £400,000,000, and that is about what we in Australia have spent on the war in one way and another. I will give these figures more in detail on the Budget, when honorable senators will find that, from every point of view, Australia has been very hard hit through the war. Years ago nobody contemplated anything of that sort. The New South Wales people had no idea of it when they voted for a big expenditure on Canberra. We shall have to borrow all this money. What is the good of making two bites at a cherry? What is the use of spending a little money now to build workmen's homes, many of which will have to be removed later on to make room for more permanent buildings? What is the good of doing this until we know whether we can go on and finish the job? It is not likely that we can finish it for many years to come. No doubt we must keep the bargain with New South Wales.

Senator THOMAS.—You have been twenty years over it already.

Senator FAIRBAIRN.—But the war intervened. We were going on to keep the bargain in an honorable fashion when the war came along, and we had not the money to do it. At one time we did not know whether this country was not going to belong to Germany. Look at what a legacy the war has left to us! Look at the mass of debt that is hanging over us! It is a terrible incubus, which will continue for generations.

Senator BENNY.—Perhaps New South Wales will cancel an "unconscionable bargain."

Senator THOMAS.—Just the same as South Australia will cancel the North-South Railway.

Senator FAIRBAIRN.—When the matter is put properly before the people of New South Wales, and they are told that it will mean a tremendous addition to their income tax, I think we shall find that they have changed their minds about it.

Senator Pratten read us some extracts from Sydney newspapers, giving the Sydney feeling. They are the mildest things I ever heard. They are nothing like the comments of twenty years ago. The feeling of jealousy between New South Wales and Victoria is dying out. We are now all Australians.

Senator DE LARGIE.—Why don't they follow the good example of the *Age*, for instance?

Senator NEWLAND.—We know where the *Age* is on this matter.

Senator FAIRBAIRN. — The *Age* generally knows where it is.

Senator RUSSELL.—The *Age* is not Victoria.

Senator FAIRBAIRN.—Of course it is not. If the matter had to be decided to-day the position would be very different. No frightful expenditure of another £3,000,000 would be sanctioned. A move of this sort means swapping horses as we are crossing the stream. The people know now where to find some of the Commonwealth offices, although they are scattered about in a terrible fashion, but if they were closed up and taken to Canberra, when we are facing the terrible financial load, I do not know where the people would be. We shall have to borrow this £3,000,000, because the money cannot possibly come out of revenue. There is no revenue left for it to come out of. If the New South Wales people were told the facts, they would say, "We want to help the people of the other States; we do not want to impose a huge burden on them. We must see that no burden beyond what we can bear is placed upon ourselves and them." That is the view that the high-spirited people of New South Wales would take.

Senator DUNCAN.—You should have heard them at the last election. If we

had not given definite pledges, not one of us would have been here.

Senator FAIRBAIRN.—We should have missed the new senators very much, but I would not take the pessimistic view that the honorable senator does.

I would urge our Sydney friends to think the matter over again seriously. What is the good of spending a wretched little amount like £150,000 in a year or two?

Senator DUNCAN.—Move an amendment to make it a million—something worth while.

Senator FAIRBAIRN.—I cannot, at this stage, because the extra £150,000 may be just the extra straw that breaks the camel's back. It may be just the little thing that will bring the general financial edifice to the ground.

Sitting suspended from 1 to 2.30 p.m.

Senator FAIRBAIRN.—It is not my intention to detain the Senate very much longer. I have put the grave financial position of Australia as clearly as I can to honorable senators, and I feel sure that if it were made abundantly clear to the people of New South Wales, they would not be any more inclined than are other people in the Commonwealth to borrow another £4,000,000. We can see by the market quotations for 6 per cent. stock what rate of interest we are likely to pay for our money in future. Altogether, the financial situation seems to be surrounded by so many difficulties that we should not encumber ourselves further by expenditure which might, for very good reasons, be deferred to a later date. I have endeavoured to put this position as clearly as possible.

Senator THOMAS.—You have done very well, so now let us have a vote on the Bill.

Senator FAIRBAIRN.—I hope the representatives of New South Wales will put the position to their constituents as clearly as representatives of the other States have done in regard to their electors, and that they will realize that the present is not a time to incur an avoidable expenditure on top of the £25,000,000 which we understood was to be the last, except for repatriation work, that we should have to undertake for some time to come. This additional expenditure is not in accord with the policy of the Government. They are pledged to economy, and to save every penny possible to meet our just liabilities.

Senator BOLTON (Victoria) [2.33].—Mr. President——

The PRESIDENT (**Senator the Hon. T. Givens**).—Order! I remind the honorable senator that he moved the adjournment of the debate. But evidently he was under a misapprehension as to his right to speak after he had resumed his seat, and, therefore, I shall allow him to proceed.

Senator BOLTON.—I acknowledge your courtesy, Mr. President. In the present financial position of the Commonwealth, it is essential that every item in a Bill of this nature which authorizes Parliament to raise and expend the sum of over £4,000,000 should be carefully reviewed.

Senator RUSSELL.—Nobody has any objection to that course.

Senator BOLTON.—The first item in the schedule is a proposed vote of £60,612 for the London offices. I have heard a good deal about these offices, but have not seen them. I should imagine, however, from what I have heard, that, if properly administered, they should be a splendid advertisement for Australia. It has been said that it is the intention of the Government, in the near future, to re-organize these offices at Australia House, and I think that a short time ago one member of the Government went to London with instructions to re-organize them on a practical basis.

The next item is £100,000 for subscription to capital of the Refinery Company in accordance with the Oil Agreement Act of 1920. I congrtulate the Government, and particularly the Prime Minister (Mr. Hughes), upon what I regard as the most statesmanlike enactment passed by this Legislature. I have no objection to this expenditure.

Then there appears the sum of £2,500 for the Williamstown Shipbuilding Yards, buildings, plant, and machinery. I have no doubt that is all right, but honorable senators are at a disadvantage in that no details of the expenditure have been furnished.

Senator RUSSELL.—I shall give you all the details you ask for in Committee, not on the second reading.

Senator BOLTON.—Honorable senators would be very greatly assisted if these details were furnished, because they would then know what they were talking about.

Then I notice there is a vote of £20,000 as a loan to the Westralian Farmers Limited, for the erection of wheat silos, and other appliances. A good deal has been said for and against this proposition. I am inclined to agree with Senator Fairbairn, who says that if the Federal Government assist a private enterprise of this kind applications will be received from other organizations not anticipated at the present moment.

These four items under the control of the Prime Minister's Department represent a total proposed expenditure of £183,112.

Under the control of the Treasury, there appears a vote of £20,000 as a loan to Papua for public works. I must confess I would like very much to know more of this item. We merely have the bald statement of proposed expenditure. It would be helpful if we knew some of the details.

There are two other items under Home and Territories Department that I do not understand. One is "Land in Federal Capital Territory, £10,800." I always understood, and I think the people of Australia understood, also, that when the Federal Territory was handed over by the New South Wales Government, it came to the Commonwealth free of cost; but now we have a vote of £10,800 for payment in respect of certain lands in the Territory. The other item to which I refer is £15,000 for Kirribilli House, Sydney. Is that the Admiralty House?

Senator DUNCAN.—Yes.

Senator BOLTON.—Then does this vote represent rental?

Senator PRATTEN.—No. It is for the fee-simple of the land.

Senator BOLTON.—Well, we did not know that before.

I have no doubt that most of the items in the schedule are justifiable, but at present honorable senators have no information at all about them. I am in favour of a spending policy, provided expenditure is upon reproductive and developmental works. It is the duty of this Parliament to examine carefully all items of expenditure, particularly those that are not likely to be reproductive.

There is, under the Department of Works and Railways, a vote of £14,787 for the Williamstown Shipbuilding Yard pumping plant, £90,000 for Federal Capital Territory initial settlement, and £60,000 for preparatory work, or a total of £150,000. I have heard all that has been said to-day in connexion with this proposed expenditure. I can quite understand that Senators Pratten, Duncan, and Cox should support the vote for the Federal Capital, and pose as the champions of upright parliamentary conduct. They tell us that we are only asked to give effect to a certain promise. On the face of it, this seems a fair proposition, and I ask them to accept my assurance that I am not speaking in a spirit of animosity towards them when I say that they are merely doing what their supporters expect them to do.

Senator PRATTEN.—Hear, hear!

Senator BOLTON.—But this is a very serious matter. They should remember that the promise was made twenty years ago, and that we are dealing with it now in another day and generation. I recollect, quite well, when this issue was a burning question throughout the Commonwealth, and I remember, on one historical occasion, a visit to Ballarat by the late Hon. C. C. Kingston and the late Sir George Reid. At that time, it was practically a public secret that Ballarat was to be the Federal Capital, and I believe that city would have been chosen but for the indiscretion of our worthy mayor of that time. Many things have happened since the agreement as to the Seat of Government was arrived at, and I think the most encouraging feature about the whole matter now is the attitude of the New South Wales people themselves. I have interviewed many prominent business men in Sydney, and have been informed by them that the great majority of the people in New South Wales do not care two straws where the Seat of Government is.

Senator PRATTEN.—That is not correct.

Senator DUNCAN.—If I thought that, I would not be very much concerned about the matter, I can assure the honorable senator.

Senator BOLTON.—I can quite understand honorable senators, on a platform during an election, being pinned down to a definite promise by some individual; but it is quite a mistake to think that the issue is so vital. Prominent business and public men have informed me that the people of Australia, as a whole, do not care where the Federal Capital is. I consider Senator Earle's proposal a fair one.

The PRESIDENT (**Senator the Hon. T. Givens**).—I ask the honorable senator not to discuss in detail the item relating to expenditure on the Federal Capital, because he will not be in order in doing so. On the second reading he can only make a passing reference to any particular item in the schedule.

Senator BOLTON.—Can I not refer to what has previously been said during the course of the debate?

The PRESIDENT.—I have already explained the position. I have allowed considerable latitude, and the honorable senator will be in order in making a passing reference to any particular item, but he cannot discuss in detail the items in the schedule, as he will be duplicating the discussion which will take place in Committee.

Senator BOLTON.—Very well, I will summarize my remarks by saying that the circumstances and conditions which existed twenty years ago are not present to-day. When it was decided to erect a Federal Capital, it was thought that it should be away from the sea-coast to be immune from attack from the sea. That condition, however, does not now exist, as has already been explained by some honorable senators. I am not in any way advocating a repudiation of an agreement which has been entered into, but we have to remember that it is the policy of the Government to exercise economy in every possible way. It has frequently been stated from public platforms that economy in public expenditure is absolutely essential, and, in view of this, I do not see how we can justify the action of the Government in recommending the expenditure of such a large amount on work which cannot be regarded as reproductive. Under these circumstances, I consider the item unjustifiable, and shall record my vote against it. It is somewhat difficult for an honorable senator to advocate economy, because he will doubtless be twitted with the fact that he did not hesitate to increase his own salary. I know that all honorable senators are worth £1,000 per year: but I must confess that in view of the need for economy, my conscience has been somewhat twinged in receiving the extra remuneration. I strongly protest against the expenditure on the Federal Capital, and shall record my vote against it.

Senator **SENIOR** (South Australia) [2.48].—I regret exceedingly that no provision has been made in this Bill for an amendment to extend the north-south railway.

Senator FAIRBAIRN.—Here is a representative of another State at work.

Senator RUSSELL.—Would it not be better for the honorable senator to confine his remarks to items that are in the schedule? There is no reference to the north-south railway in the Bill.

Senator SENIOR.—That is what I am complaining of. Clause 2 of the Bill reads—

> The Treasurer may from time to time, under the provisions of the Commonwealth Inscribed Stock Act 1911-1918, or under the provisions of any Act authorizing the issue of Treasury-bills, borrow moneys not exceeding in the whole the amount of £4,286,490.

Senator RUSSELL.—Provision for a work of the character mentioned would have been made in a special Act, and not in such a Bill as this.

Senator SENIOR.—There are items in the schedule that should also be covered by special Acts. It must be admitted that the work to which I have referred is of an important national character.

Senator RUSSELL.—What are the items to which the honorable senator is referring?

Senator SENIOR.—Seeing that we are borrowing money for public works, and that a definite promise has been made to South Australia—one that is as equally binding as that to which reference has been made by Senator Pratten—one would have thought that provision would have been made for it in this measure.

The PRESIDENT (**Senator the Hon. T. Givens**).—I direct the honorable senator's attention to the fact that there is a motion on the notice-paper in the name of Senator Newland dealing with that specific question, and I cannot allow him to discuss the question at this juncture, as he will be anticipating a discussion that has to come on later.

Senator SENIOR.—Then, I understand your ruling, Mr. President, is that the motion in the name of Senator Newland prevents me from referring to the question at all? Am I to be debarred?

The PRESIDENT.—I am not debarring the honorable senator from making a passing reference to it, but I cannot allow him to devote the whole of his time to an item which, in the first place, is quite irrelevant because it is not covered by the Bill, and which, in the second place, is to be dealt with by a specific motion on the notice-paper in the name of Senator Newland. If the honorable senator is allowed to address himself at length to the north-south railway question, he will be anticipating the discussion that may take place on that motion, and may, perhaps, use arguments that would be brought forward by Senator Newland in support of his motion. It is distinctly out of order.

Senator SENIOR.—Then, would I be in order in moving an amendment that an item be included?

The PRESIDENT.—No.

Senator SENIOR.—Then, I am forced to take up the attitude of voting against the items in the schedule, seeing that provision has not been made for a work of great importance, and on which a definite promise has been made.

Senator NEWLAND.—To make sure that other honorable senators will vote against you when it is brought on.

Senator SENIOR.—If that is the position, important questions are not to be considered from the national point of view, but merely from a parochial standpoint.

Senator DUNCAN.—That is the attitude the honorable senator is adopting.

Senator SENIOR.—No, it is not.

Senator RUSSELL.—Is that an offer to sell your vote?

Senator SENIOR.—No; my vote is not for sale. In dealing with such items as are contained in the schedule, and realizing that a distinct promise has been made in connexion with the north-south railway, I am astonished to find that I am precluded from alluding to it, and that the discussion is to be limited. We should have the right, not only of discussing the items in the schedule, but those which should be included. I do not blame the representatives of New South Wales, because they are supporting the interests of their own State, and I am fighting for the interests of the State I assist in representing.

Senator PRATTEN.—But the proposal we are supporting is embodied in the Constitution.

Senator SENIOR.—That does not make it sacrosanct. There is no limitation upon the value of promises of this character, and they should be as equally binding.

Senator RUSSELL.—They should be.

Senator SENIOR.—I think I should be permitted to express my regret that no provision has been made in this measure for the important national work to which I have referred. It seems to be the real pivot on which this Bill is to revolve, if it is to revolve at all.

In connexion with the grant for carrying on the work at Canberra——

Senator RUSSELL.—That amount is a mere detail when compared with the total amount covered by the Bill.

Senator SENIOR.—It seems to me that the Senate is placed in an unfair position in discussing a Loan Bill if we are not allowed to refer to the details in the schedule until we reach the Committee stage. We have to pass the second reading without having any information as to the manner in which the money is to be expended. The Bill is for an amount of £4,286,490, and on one single item which absorbs £3,000,000 we have not had a two minutes' explanation from the Minister. Honorable senators will realize that our time in Committee is limited to a quarter of an hour, and that we have then to confine ourselves to a particular item. Honorable senators are prevented from discussing the Bill as a whole.

The PRESIDENT.—The honorable senator must not misrepresent the position, as no honorable senator has been prevented from discussing the Bill as a whole or from referring to any particular item during the second-reading debate. What has been decided is in accordance with the proper parliamentary practice, and that is that no detailed discussion can be allowed on any particular item on the second reading. That is a well-recognised parliamentary rule. The honorable senator has complained that honorable senators have not the right to discuss any particular item. It seems that there has been too much detailed discussion on some particular items, and no reference at all to others.

Senator SENIOR.—Some honorable senators have been allowed greater latitude than others.

The PRESIDENT.—I have already explained that it was my fault, and I asked to be excused. I committed an error, which I have admitted; but that is no reason why honorable senators should persist in following a course which is not in accordance with proper parliamentary practice.

Senator SENIOR.—If that is the position, I have nothing further to say.

Senator **RUSSELL** (Victoria—Vice-President of the Executive Council) [2.58].—It is not my intention to reply in detail to the statements made by honorable senators in discussing the second reading of this Bill. It would have been practically impossible for me to have given detailed information on every item during my second-reading speech. But the information is available, and will, if necessary, be supplied in Committee. There are certain well-established parliamentary rules, which I have endeavoured to follow, and I am sure honorable senators will admit that the expenditure can be fully justified and satisfactorily explained when we are in Committee. During the whole of the debate there appears to have been too much of a desire to pit one State against another. It must be remembered that this is a National Parliament, and, whilst New South Wales representatives are anxious to quote the New South Wales public opinion on an important question, as expressed in the press, they should also be ready to admit that newspaper reports can also convey the public opinion of Victoria. We should endeavour to be fair. One honorable senator said that to discover the morality of a man we must examine his teeth. Although I was not sufficiently advanced in years to vote on the Referendum Bill, I was in sympathy with the movement for the establishment of a Federal Capital. But the people of Australia—not a few, and not a section—entered into a compact with the people of New South Wales, and that arrangement can only be altered by the voice of the people. The Parliament has to honour that compact. The past generation of Victorians entered into this contract, and I am not going to be a contract breaker at the invitation of any one. At four different elections in Victoria, at one of which I was returned at the top of the poll, I always gave the answer to questions on the subject of the establishment of the Federal Capital, that the people of Australia had deliberately entered into a contract in connexion with the matter, and whether it was good or bad I, as a Minister of the Crown, would not consent to break it. As to whether it was a good or bad contract, I am prepared to say quite candidly that I personally would not have been a party to it. The majority of the people of Australia, by a large democratic vote, have, however, committed the Commonwealth to the contract, and no one can break it now without being guilty of dishonorable conduct. Where contracts are made between Governments, our very civilization depends upon their being kept. What is wrong in the industrial world to-day but the disregard of contracts? What is wrong with international relations which create war but the dishonouring of treaties and the breaking of contracts? Let Governments fail to observe contracts made between them and other people, and it will be a case of God help our civilization, because its foundations will have gone.

I personally would prefer that the Federal Capital should be established at some more suitable place than Canberra, but we cannot continue to ignore the contract which has been made. The representatives of the people of Australia in this democratic Parliament, declared by a majority that the Federal Capital should be established in the district of Yass-Canberra. I stand by that vote. Whatever the merits of the selected site may be, I shall uphold my personal honour in giving effect to the contract which has been made, and which can be altered only by the people who made it.

This is a Loan Bill, and I hope that honorable senators will take a national view of its proposals.

Senator ELLIOTT.—Will it be a compulsory loan?

Senator RUSSELL.—No, I am glad to say that the spirit of Australians is such that it is not necessary to use compulsion in connexion with these loans. I suppose that behind every War Loan there is a shadow of compulsion, but we need not discuss that, and Australians have shown themselves willing to respond with men, and with wealth when

appealed to, to achieve a big purpose. I hope that the day will never come when it will be necessary to use compulsion in this country in connexion with these matters. I have said that we are bound, in my opinion, by a contract deliberately entered into, and by a vote of a majority of this Parliament, to establish the Federal Capital on the site which has been selected. That site was selected after great consideration, and I may say that I visited nearly all the sites that were suggested. If, after all that has transpired, the Government did nothing in this matter, they would be dishonoured as a body of men for failing to observe a contract.

Only one excuse can be put forward for hesitation in supporting the proposals of the Government in this Bill, and it is that because of the war and the condition of our finances, it may not be judicious to spend any large sum of money in fulfilling the contract with respect to the Federal Capital at the present time.

Senator J. F. Guthrie.—Hear, hear!

Senator RUSSELL.—I suggest to honorable senators who argue in that way that they should consider the position of residents of the Federal Capital Territory to-day. This Parliament has passed an Act under which the Commonwealth acquires the lands in that Territory at their value at the time when it was selected, and we have kept owners of the land in the Territory for nearly twenty years out of their money.

Senator Newland.—It is a shame.

Senator RUSSELL.—Of the increase in the value of the land due to the Commonwealth expenditure, the owners are not to receive a penny, but much of the land has still to be acquired. The position with respect to the acquisition of land in the Federal Capital Territory up to date is that we have acquired 203,054 acres, at a cost of £760,000. The area of unacquired freehold land in the Territory is 41,269 acres, and the area of unacquired land in process of alienation, under conditional purchase, or conditional lease, is 79,124 acres. This represents a total of 120,393 acres of land still unacquired in the Federal Territory. The estimated cost in 1917 of this balance of unacquired land was £328,000. No valuation has been made, and I have been informed that this estimate is only approximate. The revenue from the acquired lands is £35,433 11s. 3d. I wonder what any member of the Senate would think of the position if he held £5,000 or £6,000 worth of land on the conditions on which land is held by people in the Federal Capital Territory. I think that honorable senators must agree that if we desire to do the honest thing by the holders of land in that Territory, we must give them their money, and take over their land at once. I know that I would never have stood the treatment to which they have been subjected for the last twenty years. I should, in similar circumstances, have been on the Government doorstep every year to know what was going to be done.

Senator J. F. Guthrie.—Pay them their money, but do not pay for useless iron.

Senator RUSSELL.—I have stated before that Commonwealth Ministers have been asked to work in dog boxes, and our public servants to carry on their duties in unhealthy offices, whilst we have been waiting for a home of our own. We have been afraid to take our courage in our hands, and provide proper office accommodation for Commonwealth servants. The complaint is often made that Melbourne desires the erection of permanent buildings by the Commonwealth for temporary occupation, but I can inform honorable senators that the accommodation provided in some of the offices occupied in Melbourne is an absolute disgrace. What is worse is that they are nearly all rented premises, and are costing us annually more than would pay the interest on the cost of constructing permanent suitable office accommodation. Members of this Parliament should be ashamed of the conditions under which some public servants are obliged to carry on their work.

Senator Bolton.—Would a removal to Canberra remedy that difficulty immediately?

Senator RUSSELL.—I remember that, on one occasion, though a Minister of the Crown, I was accommodated in a box of a place about 10 feet by 12 feet, and members of the Public Works Committee, on a visit of inspection, were greatly surprised to find me there. I called it "the morgue," and I found, upon inquiry, that it had previously been used as an operating theatre.

Senator J. F. GUTHRIE.—We shall need a number of them if we go to Canberra, and we shall require a couple of asylums.

Senator RUSSELL.—We have to live somewhere. I appeal to honorable senators not to continue to view this matter from the point of view of a particular State. The newspapers of Melbourne do not express the real opinion of the people of Victoria on the question. Whenever it has been tested, they have shown that they are prepared to be true to the contracts they have made. I want honorable senators to say when they propose to redeem the promise which has been made. It is now twenty years since it was made.

Senator E. D. MILLEN.—And every day it will become more costly to redeem.

Senator RUSSELL.—That is so. Although no particular time for the redemption of the promise is specified in the Constitution, it was certainly understood that the Capital would be established within a reasonable time, and passing the work of its establishment on from one generation to another is not fair play. I am not an advocate of the spending of millions on the Federal Capital, but I say that we must observe the contract which has been made.

There is an area of 900 square miles in the Federal Capital Territory, and land there suitable for the settlement of returned soldiers, some of whom, I hope, will assist to develop it. I will not say that it is all good agricultural land, but it is all available for pastoral and other purposes, and honorable senators can understand what its possibilities are.

Senator J. F. GUTHRIE.—Why should it be so sparsely populated if it is not because it is miserable country?

Senator DUNCAN.—The honorable senator cannot have been to Queanbeyan and other towns in the district.

Senator RUSSELL.—Senator Guthrie should adopt a definite course in the matter. He should stand by the contract made in the past, or should demand a referendum of the people to alter that contract. I shall not ask any one to break a contract made in good faith by the people of Australia. I ask honorable senators to take a national view of the matter. It is not a question of the interests of Melbourne, or of Sydney either, but of what honorable senators think necessary for the proper development of the Federation. I need not refer in detail to what other Federations have done. They have selected neutral sites for their capitals. Honorable senators may say that there are no State prejudices in this matter, but we know that one cannot live in this world without being influenced by his environment. Still I ask them to consider this matter from a national point of view, and so preserve the honour and dignity of the Commonwealth.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clauses 1 to 3 agreed to.

Schedule.

Senator **FAIRBAIRN** (Victoria) [3.15].—May I remind the Vice-President of the Executive Council (Senator Russell) of his promise to supply honorable senators with some details regarding the expenditure of £64,000 upon the London offices? The total cost of Australia House is, I understand, more than £1,000,000. Can the Vice-President of the Executive Council tell me how many Agents-General are quartered there? Personally, I am of opinion that the representatives of all the States should be gathered together in that building. I never could understand why they did not go there in the first instance.

Senator DE LARGIE.—Because of jealousy of each other.

Senator FAIRBAIRN.—It seems extraordinary. It would be to the interests of Australia if all the Agents-General were accommodated under the one roof. They could then organize to much better advantage.

Senator DE LARGIE.—It is a pity that we have not the power to levy upon each State for its share of the expenditure upon Australia House, irrespective of whether its representative occupies offices there or not.

Senator FAIRBAIRN.—The London offices were certainly built for the purpose of accommodating the Agents-General of all the States. But at the present time a visitor to London, when walking along Queen Victoria-street, will see the New South Wales Agent-General's office, whilst if he visits a different thoroughfare he will see the office of another Agent-General. I am glad to know that the repre-

sentative of Tasmania is now quartered at Australia House. Will the Vice-President of the Executive Council tell us precisely the position which obtains there.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [3.18].—Even though there was no contract entered into between the Commonwealth and the States upon this matter, there was certainly an understanding that the State Agents-General would be accommodated in Australia House. I am not enthusiastic about Agents-General, but Australia should certainly be unitedly represented in London under the one roof. At the present time there is unnecessary duplication. For some reason all of the States, with the exception of one, have held aloof from Australia House. But we have learned a lot during recent years, and to-day there is a great tendency for representation to be concentrated under one roof. Everybody who has visited London lately speaks most highly of the possibilities of Australia House if it be conducted upon proper lines. I hope that in the future we shall have a more united form of representation in London, particularly in regard to trade matters. We must secure the services of first-class commercial men. Apart from the representation of the Commonwealth by the High Commissioner, we need special commercial agents in London at the present time. I have been asked how the £64,000 set down for the Commonwealth offices in this Bill will be expended. My reply is that there were odd contracts which had been entered into prior to the war, and in which it became necessary, under the stress of war conditions, to offer a small bonus. In the case of some contractors, for example, the increase of wages which they had to pay amounted to, probably, 100 per cent. It would not have been fair to ruin these men because they could not overcome difficulties which were created by war conditions. The balance of the expenditure is needed to complete Australia House. This is not an original vote. It is intended to be expended upon the completion of contracts which were entered into prior to the war, but which were suspended during the war period.

Senator Elliott. — Will this vote finalize the expenditure upon Australia House?

Senator RUSSELL.—I believe that it will. Of course, there will always be small jobs to be done in a building of that sort. Recently certain art decorations had to be knocked out.

Senator J. F. Guthrie.—We want a commercial building, not an art gallery.

Senator RUSSELL.—It was with a good deal of regret that we agreed to defer the making of these art decorations, recognising as we did the desirableness of encouraging Australian artists. It is necessary to have this building in London, and we desire it to be occupied by men who are engaged in pushing the interests of Australia to the best of their ability. I repeat that the vote in question does not represent new expenditure. I suppose that 95 per cent. of the building has already been completed, and the proposed vote of £64,000 represents the balance of 5 per cent. which is required to finish the job.

Senator J. F. GUTHRIE (Victoria) [3.22].—I ask the Vice-President of the Executive Council (Senator Russell) whether all the employees at Australia House are Australians, and whether, in appointments to the clerical staff, preference has been given to soldiers? Instead of the Commonwealth spending money upon art decorations there, I suggest the wisdom of taking advantage of the windows of Australia House to advertise the wares of this country, as, for example, by making a proper exhibit of wool. Although our wool clip in Australia is worth from £40,000,000 to £45,000,000, it is a fact that we have not a single exhibit of wool there. I therefore suggest to the Minister the advisableness of employing as much of the window space of Australia House as possible for the purpose of displaying a proper collection of Australian wool, timbers, grain, fruits, &c. We know the crying need which exists for attracting immigrants to our shores.

Senator DE LARGIE (Western Australia) [3.23].—Year after year we find the same conditions presented to us in regard to Australia House. We are like a little dog chasing his tail. The taxpayers of this country would be glad of some means by which the expenditure connected with the London offices could be terminated. At present the various Agents-General have their offices in London just as if there were no Australia

House. That building is equal to the very best structure in London. It is a handsome edifice, and is in every way a credit to the Commonwealth. Yet, despite all its advantages, quite a number of the States refuse to house their representatives there. If we have not the power to levy directly upon the States for their share of the expenditure upon that building, which was erected for the entire Commonwealth, we certainly have the right to tax them indirectly, seeing that it is the same taxpayers who have to provide the money. But we might present the position to the people in a somewhat different form from that in which it has hitherto been presented to them. The Treasurer might outline in his Budget that each State will be required to contribute a certain sum towards the upkeep of Australia House. If it went forth to the people of Australia, for example, that they had to pay £50,000 for offices in that building, whilst they also had to maintain offices for their Agent-General in another part of London, the folly of the position would be brought home to them.

Senator ROWELL.—Are not all the States represented at Australia House now?

Senator DE LARGIE.—No. It is about time that the Government did something practical in this matter, with a view to awakening public opinion upon it. The present position is due entirely to petty jealousy between one Agent-General and another. The High Commissioner stands upon his dignity and the Agents-General stand upon their dignity like a lot of children. I hope that the Vice-President of the Executive Council will induce the Government to take such action as will shame these people into doing what is right.

Senator BOLTON (Victoria) [3.27].—I should like the Vice-President of the Executive Council to give us some information in regard to the progress that is being made in connexion with the oil agreement.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [3.28].—I understand that there are already several experts in Papua. A number of geologists have been making preparatory examinations there, with a view to determining the most suitable places in which to put down bores for oil. I cannot give any indication of the developments, but very successful work has been done in connexion with the selection of a site for our own refinery in Australia. I believe that there will be big developments in connexion with that matter in a very short time.

Senator ELLIOTT (Victoria) [3.30].—I should like to know how it is proposed to expend the £3,000,000 which is set down in the schedule to this Bill for the construction of ships. I observe in the newspapers cables to the effect that big shipping companies in England are cancelling their contracts for new shipping right and left. They hold the opinion that the present cost of shipping construction cannot be justified by the profits which can be made from running the ships. It looks as if the Commonwealth is going on blindly constructing ships with the cost of material and labour at the very highest. We can never hope to make them pay under normal conditions if that is the case.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [3.31].—Phrases, such as "going blindly on," are hardly suitable to a discussion of this sort, because the people of Australia were quite aware that we were not starting on any light venture in taking on the business of shipping and shipbuilding. As one who has had control over shipping for four out of the last five years in Australia, I assure the honorable senator that, had it not been for our action, freights would have been at least 50 to 60 per cent. higher now. I can prove clearly that we saved many millions to the producers of this country on the one hand, and to the consumers on the other, by our organization of shipping. The question now asked is, "What are we going to do?" Certain rumours and reports are going about, but I tell Senator Elliott that our ships in Australia, that is the seven we now have, and a number on the keel, have been built at the cheapest boat-building rate of any boat building country in the world to-day.

Senator ELLIOTT.—That is, during war conditions.

Senator RUSSELL.—Yes. We have several contracts in Great Britain for big boats. If there is one danger to a country like Australia, that has a large oversea commerce, it is the development of the British Shipping Combine. If the

honorable senator thinks it is judicious to do so, there will be no difficulty in selling our boats to-day at very high prices; but, if those boats are sold, the producers and consumers of Australia will eventually pay the whole amount in the way of extra freights. We have not yet reached the stage at which we should sell our vessels. The bulk of this money is for completing contracts already entered into. Six boats have been ordered in England, of the latest and most up-to-date type, and all the contracts for them are signed. The only difference is that we were building them as war measures, and we are now transferring the expenditure from War Loan Account, as we do not think it legitimate to build them out of that account now, to the ordinary Public Works Loan Account.

Senator Benny.—Under what section of the Constitution do we get the power to build ships?

Senator RUSSELL.—I think the Constitution was practically suspended in that regard during the war. Peace has not yet been finally signed, and we still have the power to take such action as we think essential for the safety of the nation. The High Court said that, during the war period, it was lawful for the Commonwealth Government to take every action deemed necessary for the protection of the country, and that to that extent the Constitution was practically suspended. The High Court added that the Executive was not compelled even to give reasons for its actions, because it might, during war-time, have secret information which it would not be judicious to reveal to the public. Now that the war is over, and we are making our financial statement as a Government, we tell Parliament that we are not going to charge these things to War Loan Account any longer. Therefore, in order to complete our contracts, it is necessary to borrow the money. We have not the revenue available for the purpose. This money is for the completion of contracts, and not for new contracts. Most of them are already in hand. I am not enthusiastic about the State running lines of steam-ships, but, until we know the real basis upon which the British Empire is going to conduct its shipping, whether, for instance, it is to be managed directly by the British Parliament, I hope we shall not sell one plank of our boats. Except for that important consideration, we could discuss the question as an open one. I regard it, at this stage, as largely a matter in which we have no option. We must either have our own ships or leave ourselves at the mercy of the British Shipping Combine.

Senator J. F. Guthrie.—Are these running contracts?

Senator RUSSELL.—Yes, generally speaking.

Senator FAIRBAIRN (Victoria) [3.35].—I understand that the £3,000,000 covers not only the contracts let in Great Britain, but also the cost of locally-built ships.

Senator Russell.—I take it to cover all new ships to be constructed.

Senator FAIRBAIRN. — Will the Minister indicate how much we have to pay per ton in England and Scotland, and how much in Australia? Rather alarming statements have appeared in the press, and, if the Minister has official information, I shall be obliged to him for it.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [3.36].—I have not the figures in the exact form asked for by Senator Fairbairn, but our boats cost us here in Australia about £28 per ton, which, I am given to understand, is from £5 to £12 cheaper than most other parts of the world have been able to do the work up to date.

Senator J. F. Guthrie.—What are they costing us now? The papers said the other day it was about £60 per ton.

Senator RUSSELL.—I do not think there is anything in that. If I can get the information from the Shipping Department, I shall let the honorable senator have it before the Bill is finally passed.

Senator BOLTON (Victoria) [3.37].—Can the Minister give us some idea as to the definite policy of the Government with regard to ship-building? He says that the power to build ships was taken under the War Precautions Act during the war period, but I was hopeful that the policy of building ships would become a national policy carried out by the Government irrespective of war conditions. The successful development of this country depends largely upon transport and communication. It is vital to

the interests of the people of Australia that we should be in a position to construct our own commercial vessels.

Senator BENNY.—We have no power under the Constitution to do so in time of peace.

Senator BOLTON.—I should like a clear statement on that point.

Senator RUSSELL.—These are mostly contracts entered into during the war period, and the question is whether we are able to complete them or not.

Senator BOLTON.—Then, are all our equipment and ship-yards and so on to be sold off when our power under the War Precautions Act lapses?

Senator RUSSELL.—I take it that Parliament must eventually determine that question, but we cannot finally settle our position, so far as shipping is concerned, until Great Britain determines hers.

Senator BOLTON.—I trust that this very valuable industry, initiated by the Government under war conditions, will be continued as a national undertaking for Australia.

Senator EARLE (Tasmania) [3.39].—Will the Minister give the Committee some information concerning the item "Kirribilli House, Sydney, £15,000?"

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [3.40].—The house referred to is the old Admiralty House on Sydney Harbor. Some additional land was to be put up for public auction, and the Government recognised that it would be essential before very long to secure it for naval purposes. I understand that that was the last opportunity of obtaining a suitable block adjacent to Sydney Harbor for those purposes. The land will probably be much more valued later on.

Senator EARLE.—Is this item for land as well as the house?

Senator RUSSELL.—It is mostly for land. We had previously bought the house, but there was not sufficient land around it. We had to make a quick decision, as the land was to be put up for public auction. I think we acted with foresight in securing adequate land on the banks of Sydney Harbor for subsequent naval purposes.

Senator EARLE (Tasmania) [3.42].—In order to carry out the determination which I previously expressed, and to test the question, I move—

That the item "Federal Territory, Initial Settlement, £90,000," be left out.

Question—That the item proposed to be left out be left out—put. The Committee divided.

Ayes	6
Noes	13
Majority	7

AYES.

Benny, B.	Rowell, J.
Buzacott, R.	
Elliott, H. E.	*Teller:*
Guthrie, J. F.	Earle, J.

NOES.

Bakhap, T. J. K.	Millen, J. D.
Cox, C. F.	Newland, J.
Drake-Brockman, E. A	Pratten, H. E.
Duncan, W. L.	Russell, E. J.
Givens, T.	Thomas, J.
Henderson, G.	*Teller:*
Keating, J. H.	de Largie, H.

PAIRS.

Wilson, R. V.	Gardiner, A.
Bolton, W. K.	Pearce, G. F.
Fairbairn, G.	Millen, E. D.
Glasgow, Sir Thomas	Reid, M.
Crawford, T. W.	Lynch, P. J.
Plain, W.	Payne, H. J. M.

Question so resolved in the negative.

Amendment negatived.

Senator J. F. GUTHRIE (Victoria) [3.45].—Under the Department of Works and Railways there is an item of £187,000 for Naval Bases, works, and establishments, also a vote of £50,000 towards the cost of the Perth General Post Office. I am loath to vote for any expenditure without knowing something about it. Apparently, the Government have money to burn.

Senator RUSSELL.—That work at the General Post Office, Perth, has been going on for the last five years, but it was hung up during the war. We must either repudiate the contract or go on with it.

Senator J. F. GUTHRIE.—Well, I only asked for information. The Minister cannot expect us, as representatives of the people, to agree to vote millions of money without knowing something of the details.

Senator RUSSELL.—You were not asking for information when you said that we had money to burn.

Senator J. F. GUTHRIE.—I still say that, apparently, the Government have money to burn. A few years ago they imported an American to draw up plans for Canberra. I understand he is drawing a salary of £1,000 a year, but I do not know whether he is shooting opossums or what he is doing. Recently the Government paid him the huge fee of £3,298 for doing something in connexion with the Sydney General Post Office. I understand this gentleman, Mr. W. B. Griffin, is not a member of the architectural staff of the Commonwealth. I contend, therefore, that the Government are not giving sufficient consideration to the necessity for economy. It is not going to do us any good at the next election as Nationalists if money is going to be "chucked" about in this fashion. It is up to the Minister to give us some explanation as to why this sum of £3,298 was paid as a special fee to a gentleman who is retained in connexion with Federal Capital work.

Senator **RUSSELL** (Victoria — Vice-President of the Executive Council) [3.50].—Mr. Griffin came out under engagement to the Federal Government to do certain work, but still had the right of private practice. Three or four years ago there was a clamour in Sydney for alterations and extensions to the General Post Office there, and, by an arrangement with the ex-Postmaster-General (Mr. Webster) and the ex-Minister for Home and Territories (Mr. King O'Malley), Mr. Griffin was instructed to go into the matter. He has a great reputation as an architect, and as there was no clause in his contract to prevent his employment, the transaction was quite clear. He waited two years for his money, and was paid last year. Whether his plans are adopted or not, I trust that before long substantial improvements will be effected in the Sydney General Post Office, which is a very badly designed building.

Senator **DRAKE-BROCKMAN** (Western Australia) [3.53].—I should like some information with regard to the Naval Base works, and particularly wish to know if money is provided for carrying on work at Henderson Naval Base, at Fremantle.

Senator **RUSSELL** (Victoria — Vice-President of the Executive Council) [3.54].—The particulars of the expenditure are—Naval works staff, £27,635; Flinders Naval Base, £84,000; Henderson Naval Base, £33,000; New South Wales establishments, £31,000; Williamstown Naval Depôt, £7,050; Geelong Submarine Base, £3,000. We have been going very slowly in connexion with most of these undertakings, but as the work at the Flinders Naval Base was practically completed it would have been foolish to stop it for the sake of a few pounds. Generally speaking, only essential work is being done.

Senator KEATING.—You are making the best of a bad job in both cases.

Senator RUSSELL.—We are. That is generally admitted, though we acted on the best advice available.

Senator DRAKE-BROCKMAN.—The Government did not act on the advice to establish Naval Bases at Sydney and Fremantle. They established one down here somewhere.

Senator RUSSELL.—We acted on the advice of the best engineers available. As laymen, we could not determine these matters. There was a strong recommendation by first class engineers to cut down the Henderson Base a good deal—from, I think, £11,000,000 to about £3,500,000. We are not spending large sums of money on these works. We are simply finishing up and clearing the decks, so to speak.

Senator J. F. GUTHRIE.—I understand that there is not a dock in this part of the world capable of accommodating a battleship.

Senator RUSSELL.—It is proposed to have the best floating dock in Australia, but we must leave these matters to the Naval authorities.

Senator BUZACOTT. — Does it take £84,000 for Flinders Base, and only £33,000 for the Henderson Base?

Senator RUSSELL.—That is because the Flinders Base was nearly finished, and it was thought better to finish the job.

Schedule agreed to.

Title agreed to.

Bill reported without amendment; Standing and Sessional Orders suspended; report adopted.

Bill read a third time.

POST AND TELEGRAPH RATES BILL.

The PRESIDENT (Senator the Hon. T. Givens) announced the receipt of a

message from the House of Representatives intimating that it had agreed to the amendments made by the Senate in this Bill.

Assent reported.

PAPER.

The following paper was presented:—

Northern Territory Acceptance Act, and Northern Territory Crown Lands Act (of South Australia).—Proclamation, dated 25th August, 1920, resuming portion of Manassie Aboriginal Reserve, together with map showing area resumed.

ADJOURNMENT.

The PRESIDENT (**Senator the Hon. T. Givens**).—The hour being 4 o'clock, I must now, under a sessional order, put the question "That the Senate do now adjourn."

Question resolved in the affirmative.

Senate adjourned at 4 p.m.

House of Representatives.

Friday, 1 October, 1920.

Mr. SPEAKER (**Hon. Sir Elliot Johnson**) took the chair at 11 a.m., and read prayers.

POST AND TELEGRAPH RATES BILL.

Bill returned from the Senate with amendments.

NAVAL SEARCH FOR MISSING AVIATORS.

Mr. TUDOR.—I desire to ask the Minister for the Navy a question relating to a statement published in this morning's *Age*, that it has been decided to abandon the naval search for Captain Stutt and Sergeant Dalzell, the aviators who have been missing since they left Point Cook, eight days ago, to search for missing schooners off the Tasmanian coast. The paragraph reads—

The destroyer *Swordsman* has been recalled from the search for the missing airmen and for survivors from the two missing schooners, and will return to Geelong. The naval vessel *Platypus*, which was not seriously damaged by grounding on Tuesday in the South Channel, has been ordered back to the base in Geelong, the Naval Board considering no good purpose would be served by resuming the search, it now being unlikely that the missing airmen could be found in the sea, and the schooners being regarded as total losses.

Commenting on this decision, the *Age* remarks that—

The decision to abandon the search for the schooners or survivors is on a different basis from that regarding the missing aviators.

The *Argus* this morning published the following telegraphic message from its Launceston correspondent:—

Launceston, Thursday.—Superintendent Weston, of Launceston, late to-night received the following urgent telegraph message from Gould's Country, near the East Coast of Tasmania:—"Lights, evidently rockets, seen again at 8 o'clock to-night by several residents in the same direction." Last night Superintendent Weston was advised from Gould's Country that a light, believed to be a rocket, was observed between that town and the coast, 10 miles distant.

I am assured by a relative of one of the missing aviators that they carried a Verey pistol, from which rockets may be discharged. I desire to ask the Minister whether the Government will reconsider its decision, and allow the naval search for these men to continue. These aviators were sent out by the Department, and its responsibility in respect of them is greater than in respect of those who voluntarily set out to make a search.

Mr. LAIRD SMITH.—Everything possible will be done to find the missing men. If, in view of the information that has just come to hand from Launceston, it is thought advisable to direct that the *Swordsman* shall make a search along the east coast of Tasmania, that will be done. The *Swordsman*, I am advised, is returning, not to Melbourne, but to Launceston, in order to obtain a fresh supply of provisions, and it will be an easy matter to direct that she shall continue the search along the Tasmanian coast. That will be done.

NAVAL COLLEGE.

Mr. AUSTIN CHAPMAN.—Will the Minister for the Navy state whether it is true, as reported in some of the newspapers published in New South Wales, that his Department contemplates closing the Naval College at Jervis Bay?

Mr. LAIRD SMITH.—I think that the honorable member was in the chamber last week when the Works and Building Estimates, which included a proposed vote for water supply for the College, were passed. That does not suggest that the institution is to be closed, and I have not given any consideration to the closing of it. The number of students entering the College, however, will have to be restricted, since, if we continue to train as many men as we have been doing, we shall not be able to find appointments for them in the Australian Naval Forces. It is well worth considering whether it would not be practicable to train at the Naval College, not only naval students, but men for the merchant service.

PUBLIC SERVICE SUPERANNUATION FUND.

Mr. FLEMING asked the Prime Minister, *upon notice*—

1. Is it a fact that the Government is about to inaugurate a superannuation fund for the Commonwealth Public Service?

2. If so, will all payments made to the States funds be allowed for in full in the Commonwealth fund?

Mr. HUGHES.—The answers to the honorable member's questions are as follow:—

1. Yes.

2. The scope of the fund, and the system proposed to be adopted in connexion with payments thereto, will be embodied in a Bill, which is now being prepared, and which will be introduced to Parliament as soon as possible.

PERMANENT MILITARY FORCES.

Rates of Pay.

Mr. MARR asked the Minister representing the Minister for Defence, *upon notice*—

1. Whether a special Committee, which was appointed to report upon the rates of pay and conditions of men permanently employed in the Military Forces, has yet submitted its report?

2. If so, will he lay the report upon the table of the House?

Sir GRANVILLE RYRIE.—A report has been received, and will be placed before the Minister for his consideration on his return from Western Australia.

AMALGAMATION OF SAVINGS BANKS.

Mr. MACKAY asked the Treasurer, *upon notice*—

1. Whether the proposed agreement for the amalgamation of the Commonwealth and the State of Queensland Savings Banks has yet been completed?

2. Is the Treasurer in a position to make a statement of the conditions and circumstances leading up to the proposed amalgamation?

Sir JOSEPH COOK.—The agreement has been completed, and is now awaiting the ratification of the Queensland Parliament. I am having a copy of the agreement prepared, which I will lay on the table of the House for the information of honorable members.

DISTRIBUTION OF SUGAR.

Mr. LISTER asked the Minister for Trade and Customs, *upon notice*—

1. Whether he can state what methods are adopted in the distribution of refined sugar to the trade in Victoria?

2. Are the deliveries in all cases made on a *pro ratâ* basis, based on the supply of the corresponding month of last year?

3. If so, what is the ratio for the months of August and September, 1920?

Mr. GREENE.—The information is being obtained.

INVALID AND OLD-AGE PENSIONS.

Pensioners in Hospitals.

Mr. MACKAY asked the Treasurer, *upon notice*—

Whether he has yet considered, as promised, the matter of paying the old-age and invalid pensions to the treasurers of public hospitals in all cases where such pensions are suspended when the recipients are admitted free for medical treatment?

Sir JOSEPH COOK.—The matter is still under consideration, and, so far as I can see at present, the decision must be in the negative. The question to be determined is as to whether the Commonwealth should make a definite contribution to public health, a responsibility which belongs to the State. There is the further question as to whether, if we so contributed, we should not share the responsibility and privileges of the control of the health organization to which we contribute, on the well-known principle that taxation should carry the right of

representation. The other question to be determined is whether a moiety of the payment now made to the pensioner should be deducted and paid to the hospital.

NAVIGATION BILL.

In Committee (Consideration resumed from 30th September, *vide* page 5220):

Clause 127 (Scale of Crew, Schedule II.).

Mr. TUDOR (Yarra) [11.10].—This clause provides for the amendment of Schedule II. of the principal Act. I should like to know, Mr. Chairman, whether the whole schedule is thus before the Committee, and whether it will be possible for an honorable member to submit an amendment relating to any part of that schedule in the principal Act. I make this inquiry since the honorable member for Melbourne Ports (Mr. Mathews) desires to submit an amendment relating to firemen and trimmers in an earlier part of the schedule than that which the clause proposes to amend.

The CHAIRMAN (**Hon. J. M. Chanter**).—If the honorable member for Melbourne Ports (Mr. Mathews) has a prior amendment, he will be in order in proposing it now.

Mr. TUDOR.—That is to say, the whole schedule is before us?

The CHAIRMAN.—Yes.

Mr. GREENE.—On a point of order, I submit that the only part of the schedule which is before the Committee is that in which it is proposed by this clause to make amendments, and that while it is competent for an honorable member to move to amend any of those amendments, it is not competent for him to submit an amendment in regard to any portion of the schedule not covered by the clause, unless he does so by moving the insertion of a new clause. I take this point of order merely because I wish the position to be made clear, and do not desire that the honorable member for Melbourne Ports shall lose his opportunity.

Mr. MATHEWS (Melbourne Ports) [11.13].—I do not wish to interfere with the course of business, but I should like to know whether the Minister will give me an opportunity later on to submit my amendment by recommitting this clause.

Mr. GREENE.—My view is that it will not be necessary to recommit the clause. The honorable member will have to move the insertion of a new clause. Everything, of course, will depend upon the Chairman's ruling.

Mr. TUDOR (Yarra) [11.14].—I am anxious that the Standing Orders shall be observed; and it seems to me that it would be possible for the honorable member for Melbourne Ports to effect the alterations in the schedule that he desires to make by moving the insertion of a new clause. His amendment relates to one of the difficulties affecting the position of firemen and trimmers, and it is one that Parliament should decide definitely at the earliest possible moment. It should not be difficult to make the necessary provision in a new clause, although if the schedule in the Act were before the Committee the position would be much clearer.

The CHAIRMAN.—The suggested amendment refers to a portion of the schedule in the Act which is not covered by any clause in the Bill which proposes to amend the schedule. I am bound to rule that only the portions of the schedule covered by the Bill are under review at the present moment.

Mr. GREENE.—Can any other portion of the schedule be amended by a new clause?

The CHAIRMAN.—Before ruling on that point it would be necessary for me to see what is contained in the proposed new clause.

Clause agreed to.

Clauses 128 and 129 agreed to.

Postponed clause 22—

Section 85 of the principal Act is amended by omitting sub-section (1.) thereof and inserting in its stead the following sub-section:—

"(1.) Where the service of a seaman belonging to a ship registered in Australia terminates, before the period contemplated in his agreement, by reason of the wreck or loss of the ship, he shall be entitled—

. . . . . .

Provided that the total period for which the seaman shall be entitled to receive wages in pursuance of paragraph (*b*) of this sub-section shall not in any case exceed one month from the time of the termination of his services by reason of the wreck or loss of the ship."

Mr. GREENE (Richmond—Minister for Trade and Customs) [11.18].—When this clause was previously before the Committee, there was a strongly expressed

opinion that the period during which the ship-owner is liable to pay wages in the event of shipwreck should be extended from the one month provided in the proposed new sub-section, and some honorable members asked that the liability should extend for an unlimited time. I stated then that I could not see my way clear to agree to making the time unlimited, but that I would be prepared to consider a further extension of the period set down in the clause, provided it could be safeguarded in some way. Having considered the matter in the meanwhile, I am now agreeable to extend the period to three months. Accordingly, I move—

That in the proviso the words "one month" be left out, and the words "three months" inserted in lieu thereof.

Mr. WATKINS (Newcastle) [11.20].—The Minister's amendment is satisfactory up to a certain point, but I do not think it will provide for all cases. Recently a Commonwealth steamer was wrecked on Galapagos Island.

Mr. GREENE.—Although that was an extraordinary case the amendment would cover it.

Mr. WATKINS.—Vessels registered in Australia, or even Commonwealth steamers, may possibly be wrecked in some parts of the world where the seamen, under no circumstances, could be got home within three months. Thus, the fixing of the limit at that period might deny them the opportunity of being paid in such extreme cases.

Mr. GREENE.—I do not think so; at any rate, what we now propose to do has never been done by any other nation, and in any case the amendment is a reasonable provision which ought to meet practically every case.

Mr. WATKINS.—I am satisfied that the Minister's proposal is a considerable advance on what has been done in other parts of the world, but I would like to give him some discretionary power which would enable him to extend the period during which seamen must be paid their wages in the event of shipwreck.

Mr. CHARLTON (Hunter) [11.23].—I am pleased that the Minister has reconsidered this point during the time the clause has been postponed. It was demonstrated here that the limitation of the time to one month would likely work a good deal of injury to seamen, and this view has recently been confirmed by the case of one of the Commonwealth steamers, whose seamen could not get to their home port until at least three or four months after having been shipwrecked. However, the Minister has attempted to meet us. I do not anticipate that there will be many cases which will not be covered by the extended period.

Amendment agreed to.

Mr. GREENE (Richmond—Minister for Trade and Customs) [11.25].—I move—

That the following further proviso be added to the clause:—

"Provided also that if the seaman refuses or fails to accept the first reasonable means of conveyance, either as a distressed seaman or otherwise, provided or offered by the master or owner or by a proper authority, he shall not be entitled to receive wages under this subsection for any period after such refusal or failure."

There may be no agent for the ship-owner at the locality of a wreck, and as the master of the vessel may be lost it is necessary to provide for a "proper authority" to take action to get the seamen away. The proviso will remove any possibility of the seamen preferring to remain at the locality after provision has been made to return them to their home port.

Amendment agreed to.

Clause, as amended, agreed to.

Mr. GREENE (Richmond—Minister for Trade and Customs) [11.28].—I move—

That the following new clause be added:—

"9A. The list of Division headings set out at the commencement of Part II. of the principal Act is amended by omitting the number '122' and inserting in its stead the number '122A'."

This is a formal matter consequent upon an alteration in the numbering of the sections in the Act.

Proposed new clause agreed to.

Amendment (by Mr. GREENE) proposed—

That the following new clause be added:—

"19A. After section 47 of the principal Act the following section is inserted:—

'47A.—(1.) No alien shall be permitted to engage or shall be employed in any capacity on any ship registered in the United Kingdom or in Australia unless he produces to the Superintendent or, in the case of a limited coast-trade ship of less than 50 tons gross registered tonnage or a river and bay ship, to the person engaging him, satisfactory proof of his nationality.

Penalty: One hundred pounds.

'(2.) No former enemy alien shall be permitted to engage or shall be employed in any capacity on any ship registered in the United Kingdom or in Australia.

Penalty: One hundred pounds.

'(3.) For the purposes of this section the expression "former enemy alien" means an alien who is a subject or citizen of the German Empire or any component State thereof, or of Austria, Hungary, Bulgaria or Turkey, or who, having at any time been such subject or citizen, has not changed his allegiance as the result of the recognition of new States or territorial rearrangements, or been naturalized in any other foreign State or in the United Kingdom or in any British Possession in accordance with the laws thereof and when actually resident therein and does not retain, according to the law of his State of origin, the nationality of that State'."

Mr. TUDOR (Yarra) [11.30].—What power have we to say who shall be permitted to engage or be employed on a ship registered in the United Kingdom? I could understand such a power under the Merchant Shipping Act, but not under the Australian Navigation Act. From the marginal note, this clause would appear to have been taken from an Act recently passed in the United Kingdom, but I do not see the necessity for us to take such a step here.

Mr. GREENE (Richmond—Minister for Trade and Customs) [11.31].—The British Government, in a despatch, recently brought under notice certain provisions of the Aliens Restriction Act passed by the Imperial Parliament last year, referring to the employment of aliens on British registered ships. The Secretary of State for the Colonies intimated that the British authorities would be glad of the co-operation of the Commonwealth Government, with a view to giving effect to such a provision, as the Imperial measure was not drawn to apply to Australasia. This, it was pointed out, made it necessary for corresponding restrictions to be imposed in Australia, so as to give the force of the law to the operation of the British Act.

Proposed new clause agreed to.

Mr. GREENE (Richmond—Minister for Trade and Customs) [11.32].—I move—

That the following new clause be inserted:—

"20A. Section 50 of the principal Act is amended—

(*a*) by omitting from the first proviso to sub-section 2 the words 'in any case, remain in force until the ship's arrival at a port of destination and in the case of foreign-going ships the discharge of cargo consequent on that arrival,' and inserting in their stead the following words:—'subject to sub-sections 3, 4, and 5 of this section, remain in force until the ship's arrival at her port of destination,'; and

(*b*) by omitting the second proviso to sub-section 2 and inserting in its stead the following sub-sections:—

(3) Where a ship the crew of which have been engaged under a running agreement which has been in force more than six months reaches a port in Australia other than her port of destination, and the ship is not then proceeding, either directly or by intermediate ports, to the port of discharge mentioned in the agreement, the master may discharge any seaman, and any seaman may obtain his discharge.

(4) No seaman shall be discharged, nor be entitled to be discharged, under the last preceding sub-section, unless he has received from, or given to, the master, on any day other than Saturday and at least twenty-four hours before the ship leaves the port, twenty-four hours' notice of the proposed or required discharge.

(5) Any seaman discharged, or who claims his discharge, under sub-section 3 of this section, shall be entitled to receive from the master or owner—

(*a*) a free passage to a proper return port, being either the port of discharge mentioned in the agreement or such other port as is mutually agreed upon with the approval of the proper authority;

(*b*) wages, at the rate provided for in his agreement, until he arrives at the proper return port;

(*c*) where a passage to the proper return port is not made available to him at the time he is discharged, and it is necessary for the seaman to obtain accommodation ashore, an allowance for victualling and accommodation at the rate of 5s. per day for the period during which it is necessary for him to reside ashore and until the passage to the proper return port is made available; and

(*d*) where the passage provided to the proper return port is otherwise than by sea, an allowance for victualling at the rate of 3s. per day for the period occupied by the journey:

Provided that if his return to the proper return port is delayed by any act or default of the seaman, he shall not be entitled to wages or allowance for victualling and accommodation during the period of the delay.

(6) Victualling and accommodation allowances provided for in this section may be sued for and recovered by the seaman in the same manner as wages.'"

This is one of the amendments to which I agreed recently in consultation with the Seamen's Union. Section 50 of the Act, which this new clause amends, relates to running agreements for voyages to and

fro between stated ports, or for a specified period which must not in any case exceed six months. The section as it stands provides that every such agreement shall remain in force until the ship's arrival at the port of destination, and, in the case of foreign-going ships, until the discharge of the cargo consequent on that arrival. The seamen consider it a great hardship that, after having arrived after a long voyage overseas, they should be obliged to stand by the ship until the whole of the cargo is discharged, though they may have little or nothing to do with that discharge, and simply because the ship may have to be moved a short distance or something of that sort. This very often prevents seamen from spending time at their homes, of which they see too little in any circumstances. The clause is intended to enable seamen to be discharged immediately on the arrival of the vessel in port.

Proposed new clause agreed to.

Mr. GREENE (Richmond—Minister for Trade and Customs) [11.34].—I move—

That the following new clause be inserted:—

"20B. Section 61 of the principal Act is amended—

(*a*) by inserting in sub-section (3) after the word 'shall' the words 'if he has not already done so,'; and

(*b*) by omitting from sub-section (3) the words 'in the master's possession,' and inserting in their stead the words 'taken possession of by the master at the time of the seaman's engagement.'"

Section proposed to be amended—

When discharging a seaman, the master shall return to him all his previous discharges in the master's possession.

This is one of the clauses which we talked over with the delegates from the Seamen's Union, and to the amendment of which they agreed. According to the Act, these discharges must be in the master's possession. Recently the case occurred of a crew arriving in Australia, where they were due for discharge, but, through the carelessness of the master, or somebody connected with the ship, it was found that the discharges had been left in London. As the Act now reads, we could not impose any penalty on the master because the discharges were not in his possession. Everybody understands what great value seamen attach to the discharges, and if a master takes possession of them, the definite responsibility is thrown on him to see that they are returned to the men.

Proposed new clause agreed to.

Motion (by Mr. GREENE) proposed—

That the following new clause be inserted:—

"21A. Section 70 of the principal Act is amended by omitting from sub-section (2) the word 'one-half' and inserting in its stead the word 'three-fourths'."

Section proposed to be amended—

Except by agreement with the master an allotment note shall not provide for payment of a greater sum than one-half of the seamen's wages.

Mr. TUDOR (Yarra) [11.38].—This clause refers to what the seamen call "working off a dead horse"—the allotment note. I take it that the seamen have to agree before this is done.

Mr. GREENE.—Of course.

Mr. TUDOR.—The clause is to compel the employer to pay three-fourths if the seamen so desire.

Mr. GREENE (Richmond—Minister for Trade and Customs) [11.40].—This is another of the amendments for which the seamen asked and to which I agreed. It seemed to me that one-half of the wages was not nearly sufficient to maintain a seaman's wife and family in Australia, and the clause will have the further advantage of taking temptation out of his way to spend money which ought to be devoted to his home.

Proposed new clause agreed to.

Motion (by Mr. GREENE) proposed—

That the following new clause be inserted:—

"21B. Section 77 of the principal Act is amended—

(*a*) by omitting from sub-section (1) the words 'to every seaman, at the prescribed times, his wages or prescribed portions thereof:' and inserting in their stead the following words:—

'subject to all just deductions, the wages due to the crew as follows:—

(*a*) during any period the ship is engaged in the coasting trade, the full amount of wages then earned shall be paid to every seaman monthly, not later than the first day of each month, or, if the ship is not, at the time when any monthly payment falls due, in a port in Australia where there is a banking institution (other than a

savings bank), then within twenty-four hours of the ship's arrival at such a port; and

(*b*) during any period the ship is in parts outside the coasting trade limits, three-fourths of the amount of the wages then earned shall be paid to every seaman within twenty-four hours of the ship's arrival at any port at which cargo is to be loaded or discharged and at which there is a branch, agency, or correspondent of the Commonwealth Bank:'; and

(*b*) by omitting from sub-section (2) the word 'bank', and inserting in its stead the words 'banking institution (other than a savings bank)'".

Section proposed to be amended—

The master or owner of every foreign-going ship registered in Australia shall pay to every seaman, at the prescribed time, his wages or prescribed portions thereof:

. . . . . .

In cases where the seamen are engaged on time or running agreement on an Australian-trade or limited coast-trade ship, all wages earned shall be paid monthly not later than the first day of each month, or thereafter within twenty-four hours after the ship first arrives at any port in Australia at which there is a bank.

Mr. TUDOR (Yarra) [11.47].—The original section provides that the wages shall be paid to every seaman. The new clause substitutes the words "the wages due to the crew." The seaman, like every other workman, is entitled to the wages due to him personally. If I were working on a ship, I would have no concern as to whether or not the other seamen got their pay, so long as I received what was due to me.

Mr. GREENE.—The point raised by the honorable member for Yarra is met by the subsequent wording of the clause.

Proposed new clause agreed to.

Mr. GREENE (Richmond—Minister for Trade and Customs) [11.52].—I move—

That the following new clause be inserted:—

"28A. After section 122 of the principal Act the following new section is inserted in Division 13:—

122A. (1) Every foreign-going steamship of more than 3,000 tons gross registered tonnage, registered in Australia, shall be provided with a mechanically cooled refrigerating chamber of such capacity and design as to be capable of preserving, in good condition, fresh meat in accordance with the scale set out in schedule III., or as prescribed, for the consumption of the crew, between the principal ports of supply on the projected voyage of the ship.

(2) The master and owner of any such ship which goes to sea without compliance with this section shall be guilty of an offence.

Penalty: £100.

(3) In the case of a ship built before the commencement of this Division, the Minister, if he is satisfied that the provision of a refrigerating chamber is impracticable, or is under the circumstances of the case unnecessary or unreasonable, may, by writing under his hand, exempt the ship from the provisions of this section."

In these times, it is only reasonable to require that the crews—at any rate, of steamers which have the necessary mechanical power—shall be provided with fresh provisions. Men should not be compelled to eat the "salt junk" of the old days.

Mr. TUDOR (Yarra) [11.53].—The new clause refers only to foreign-going steam-ships. Why should we not compel the owners of the Inter-State steam-ships to make the same provision?

Mr. RICHARD FOSTER.—They do.

Mr. BURCHELL.—Foreign-going vessels engage in longer voyages.

Mr. TUDOR.—That may be the reason for the differentiation. This is to apply only to vessels of more than 3,000 tons gross register. I think that tonnage is too high. A ship of 3,000 tons gross is a fairly big vessel.

Progress reported.

POST AND TELEGRAPH RATES BILL.

In Committee (Consideration of Senate's amendments):

Sir JOSEPH COOK (Parramatta) [11.54].—All arrangements have been completed for bringing these new rates into operation to-morrow; and it is, therefore, urgent that the measure should be disposed of as quickly as possible.

The Senate has agreed to the Bill subject to two amendments. On looking into the matter, I find it is clear that the Senate has constitutional power to make amendments in a Bill of this character; that is to say, charges for services rendered are not taxation in the technical sense. The first amendment is in clause 5, which provides that the postage on newspaper shall be 1½d. per 20 ozs. on the aggregate weight of newspapers posted by any one person at any one time, "provided that the minimum amount of postage payable on the aggregate weight of newspapers so posted shall be 1s." The Senate has struck out that proviso, and the effect of the amendment will be to give a great deal of relief to country newspapers.

Mr. Charlton.—Will it apply to metropolitan newspapers also?

Sir JOSEPH COOK.—Yes; but it does not affect them very much. The Government have no objection to the amendment. The proviso was inserted only because it would save a little clerical labour in the office. The second amendment is in clause 8, and means that the minimum charge for Inter-State telegrams shall be 1s. 4d. instead of 1s. 3d. As Treasurer, I cannot afford to look a gift horse in the mouth; indeed, I am very much obliged to the Senate for this little evidence of consideration. The amendment will give the Department a little more revenue, and will simplify the calculation of telegram charges by the sender. The new charge is an even penny per word, with a minimum of 1s. 4d. I move—

That the Senate's amendments be agreed to.

Mr. CHARLTON (Hunter) [11.57].—It is pleasing to have the Treasurer's assurance that he has looked into the constitutional aspect of these amendments, because this Chamber cannot permit the Senate to interfere with finance Bills in excess of its constitutional rights. I am in agreement with the Treasurer in regard to giving relief to country newspapers. It is very difficult for many of them to carry on their operations at the present time, especially on account of the very high cost of paper. Many of them have had to close down. I offer no objection to the first amendment. In regard to the second amendment, I see nothing in the Treasurer's argument that the process of calculation is simplified. It is as easy to send sixteen words for 1s. 3d. as for 1s. 4d. I can understand that the Treasurer embraces the opportunity of getting a little more revenue.

Sir Joseph Cook.—Our telegrams will still be the cheapest in the world.

Mr. CHARLTON.—Possibly; but the amendment does not mean simplification.

Sir Joseph Cook.—It does, really.

Sir Robert Best.—No.

Sir Joseph Cook.—Yes. A man sending a sixty-word telegram will know that the cost is sixty pence.

Mr. CHARLTON.—The amendment makes no difference, except that it increases the rate. At present, I know that a telegram of sixteen words or less will cost me 1s. 3d., and that each additional word will cost a further penny.

Mr. Mathews.—What about subtraction when there are less than sixteen words?

Mr. CHARLTON.—If a telegram contains only twelve words, one must still pay 15d. There is no question of subtraction. I cannot agree with the argument of the Treasurer. However, the amendments are not of vital importance, and I shall not oppose them.

Sir ROBERT BEST (Kooyong) [12.1].—I cannot support the proposed alteration of the basis of payment for telegrams. The arguments used in support of the Senate's amendment are ludicrous. The minimum charge for sixteen words was originally 1s. 3d. The vast proportion of telegrams sent every day contain either sixteen words or less; and, to begin with, the sum of 1s. 3d. is a much more convenient amount to pay than 1s. 4d., if the matter is to be studied from that angle. If a telegram contains more than sixteen words, say sixty, one is simply required to calculate at the rate of 1d. per word over and above the sixteen, and then to pay 1d. short. Why should those

who are in the habit of sending telegrams of not more than sixteen words be penalised by this proposed extra payment of 1d.?

Mr. CHARLTON.—That is all it means, namely, the payment of an additional penny.

Sir ROBERT BEST.—Quite so.

Sir JOSEPH COOK.—First there is to be a calculation to ascertain the amount to be paid.

Sir ROBERT BEST.—Not at all. If there are sixty words in a telegram, one has to deduct one penny.

Sir JOSEPH COOK.—That is a calculation to begin with.

Sir ROBERT BEST.—I object to the additional impost. The pressure of taxation is heavy enough, in all conscience; and, to penalize those who are in the habit of sending simple telegrams of sixteen words or less is unfair.

Sir JOSEPH COOK.—I cannot help it; I am not going to quarrel with the Senate over 1d. The Government cannot have a penny crisis.

Sir ROBERT BEST.—I am quite sure of that; but, nevertheless, the argument in support of the amendment is ludicrous.

Mr. FENTON (Maribyrnong) [12.4].—I do not agree with the amendment of the Senate. I do not intend to oppose it, however, although I would do so now and at any time if it appeared that the Senate was seeking to interfere with our rights, and to encroach upon our privileges. I accept the statement of the Treasurer that there is nothing of that nature involved here, and am satisfied, therefore, to let the matter go.

Mr. JACKSON (Bass) [12.5].—I am pleased that the Senate has altered the proposed rates with respect to newspapers. The imposition, as intended, would have involved hardship upon news agents who send small parcels of magazines and the like to country sources. As for the proposed additional payment of 1d. in connexion with telegrams, I have always held the view that the public should pay for services rendered. The minimum rate has been too low for Inter-State telegrams. I consider the rate of 1s. 4d. quite fair, and will support the Senate's amendment.

Question resolved in the affirmative.

Senate's amendments agreed to.

Resolution reported; report adopted.

PAPER.

The following paper was presented:—

Northern Territory Acceptance Act and Northern Territory Crown Lands Act 1890 (South Australia)—Proclamation resuming portion of Crown lands reserved for use of Aborgines, together with map showing area resumed.

NAVIGATION BILL.

In Committee (Consideration resumed):

Proposed new clause 28A.

Mr. TUDOR (Yarra) [12.6].—When progress was reported, I was raising the point whether the amount of tonnage mentioned in proposed new section 122A could not be reduced in order to cover vessels of a less tonnage than 3,000. Perhaps the Minister has information for the guidance of the Committee in this matter.

Mr. GREENE (Richmond—Minister for Trade and Customs) [12.8].—The proposed new section covers one of those matters which were discussed with the delegates of the Seamen's Union. The same problem also received the attention of the ship-owners. I was perfectly frank with both parties in the endeavour to get them together so that we might ascertain just what would suit all concerned. With respect to ships trading on the Australian coast, it was generally agreed that there was no necessity for the provision of refrigerating chambers as indicated in the section. Requirements are already met, to a very large extent, on nearly every boat. In cases where a refrigeration chamber is not provided, the voyages undertaken are so short, and the ports of call so comparatively near to each other, that the equipment of an ordinary ice-chest, in which goods can be carried from place to place in fresh condition, is ample. With respect to the matter of tonnage, it was agreed that the limit of 3,000 tons would cover practically every foreign-going vessel concerned, for the reason that small boats do not pay on long voyages.

Proposed new clause agreed to.

Motion (by Mr. Greene) agreed to—

That the following new clause be inserted:—

"53A. Section 190 of the principal Act is amended by omitting the word 'Minister' and inserting in its stead the word 'Governor-General'."

Mr. GREENE (Richmond—Minister of Trade and Customs) [12.10].—I move—

That the following new clause be inserted:—

118A. Section 397 of the principal Act is amended—

(*a*) by omitting therefrom the words "no conviction for an offence and";

(*b*) by omitting therefrom the words "after the commission of the offence or";

(*c*) by omitting therefrom the words ", as the case may be"; and

(*d*) by omitting therefrom the words "in the case of a summary conviction within two months, and in the case of a summary order".

It not infrequently happens that Parliament, in the production of new Acts, deals with some matter already covered to greater or less extent by previous legislation. As honorable members are aware, the principle in such cases is that where there is any conflict in the provisions of these two Acts, the later legislation prevails. Overlapping of this sort has occurred in connexion with one of the sections of the Navigation Act. Section 397 provides, among other things, that summary proceedings in regard to offences against the Act must be instituted, except under certain specified circumstances, within six months of the breach of the law. The majority of the offences created by the Act in regard to acts or defaults of masters, owners, agents, and others, are punishable on summary conviction, as distinct from indictable offences, which are required to be dealt with by a Judge and jury. Another Commonwealth Act, passed by Parliament two years after the Navigation Act, namely, the Crimes Act 1914, deals fully with offences against Commonwealth Acts, and their punishment. Section 21 of this Act provides, among other things, that prosecutions for offences against Commonwealth Acts or Regulations may be commenced as follows:—

(*a*) Where the maximum term of imprisonment exceeds six months, at any time after the commission of the offence.

(*b*) Where the maximum term of imprisonment does not exceed six months, at any time within one year; and

(*c*) Where the penalty is a pecuniary one, any time within one year after the commission of the offence.

It goes on further to provide that—

Notwithstanding any provision in any Act, or regulation under an Act passed or made before the commencement of this Act, and providing any shorter time for the commencement of the prosecution, any prosecution for an offence against the Act or regulation may be commenced at any time within one year after the commission of the offence.

Although, in accordance with the principle of law to which I have previously referred, the provisions of section 397 of the Navigation Act are, in so far as they conflict with section 21 of the Crimes Act, superseded by the latter, it is undesirable that the section should be allowed to remain in its present incorrect and misleading form. The amendment will have no real effect on the law, but is being made simply in order to prevent misapprehension.

Proposed new clause agreed to.

Mr. GREENE (Richmond—Minister for Trade and Customs) [12.13].—I move—

That the following new clause be inserted:—

123A. Section 423 of the principal Act is amended by inserting therein after the words "apply to" the words "barges or other vessels not equipped with means of propulsion or to".

The object here is to exempt from the operation of the law barges plying on the River Murray, and similar craft, to which it was never intended that the Navigation Act, as such, should apply.

Proposed new clause agreed to.

Mr. TUDOR (Yarra) [12.14].—It is my intention to move for the insertion of a new clause 99 (*a*). In section 100 of the Act, certain offences against discipline and penalties are specified. It is felt by the Seamen's Union—and I understand that its delegates have discussed the point with the Minister—that the penalties are too high. My desire is that the penalties shall be brought into conformity with the wishes of the Seamen's Union. Section 100 of the principal Act provides

that the punishment for desertion shall be "Forfeiture of all accrued wages not exceeding £20, or a penalty of £20." The Seamen's Union suggests that the penalty should be forfeiture of all accrued wages not exceeding £5, or a penalty of £5. For the offence of "failure or refusal without reasonable cause to join the ship or proceed to sea in the ship," the section provides for a penalty of £10. The Seamen's Union proposes that that penalty shall be reduced to £1. Under the Act as it stands, absence without leave from duty without reasonable cause, "such absence not amounting to desertion or not treated as such by the master," is punishable by forfeiture of two days' wages, with an additional forfeiture of two days' wages for every twenty-four hours of absence, or a penalty of £20. It has been suggested by the Seamen's Union that the punishment should be forfeiture of wages during the actual time of absence. Then, again, under section 100, insubordination at sea, or wilful disobedience to any lawful command at sea, is punishable by one month's imprisonment or forfeiture of ten days' wages. The Seamen's Union recommends that the punishment should be forfeiture of two days' wages. For the offence of insubordination or wilful disobedience to any lawful command, the section provides for forfeiture of two days' wages or a penalty of £10. I propose that, as recommended by the Seamen's Union, the punishment should be forfeiture of one day's wages. For "continued wilful disobedience to lawful commands or continued wilful failure in duty," the section provides for forfeiture of two days' wages for each day during which the offence continues. The Seamen's Union recommends that the punishment should be forfeiture of wages for the actual time during which the offence continues. The next offence with which section 100 deals is that of "conspiring with any other of the crew to disobey lawful commands at sea, neglecting duty at sea, or impeding the navigation of the ship or progress of the voyage." For this offence a punishment of six months' imprisonment is provided. The Seamen's Union recommends that the punishment should be reduced to one month's imprisonment. For "wilfully damaging the ship," the section provides for a punishment of twelve months' imprisonment or a penalty equal in amount to the loss sustained. In lieu of this punishment, the Seamen's Union recommends that we should provide for three months' imprisonment.

The Act was passed in 1912, and, as many honorable members are aware, it occupied our attention for a very considerable time. Section 100, which deals with these penalties, was copied from the Merchant Service Act of 1894.

Mr. GREENE.—The honorable member does not suggest that the penalties as they stand in the principal Act were copied from the Merchant Service Act?

Mr. TUDOR.—The marginal notes show that they were copied from that Act.

Mr. GREENE.—With the exception of those relating to conspiring with others to disobey lawful commands, wilful damage, and embezzling or wilfully damaging cargo, stores, or equipment, the penalties provided for in the principal Act are much lower than those for which the Merchant Service Act provides.

Mr. TUDOR.—When I made the statement that these punishments had been copied from the Imperial Act, I was guided only by the marginal notes. I do not think any useful purpose can be served by continuing these high penalties. They tend only to embitter the relations between employers and employees. The Seamen's Union is perfectly frank. It recognises that some punishment is necessary in respect of these offences, and it has agreed to those which I have embodied in the new clause that I propose to move. The proposed new clause is in keeping with the tendency of the age. Public feeling nowadays is opposed to the infliction of such heavy punishments as those for which section 100 provides. The men who go down to the sea in ships to-day, whether they be employed as seamen or firemen, are of a better type than were those who were so employed some years ago. In making that statement, I have no desire to reflect upon those who, in the days gone by, followed a seafaring life. As a matter of fact, for over 100 years my family

have been connected with the sea. I believe, however, that by reducing these penalties we shall create a better feeling. I therefore move—

That the following new clause be added:—

23A (*a*) The acts specified in Column 1 hereunder shall be offences against discipline, and a seaman or apprentice committing any one of them shall be liable to a punishment not exceeding the punishment set opposite to the offence in Column 2 hereunder:—

Column 1. *Offences.*	Column 2. *Punishments.*
Desertion	Forfeiture of all accrued wages, not exceeding Five pounds, or a penalty of Five pounds.
Failure or refusal, without reasonable cause, to join the ship, or proceed to sea in the ship	Penalty of One pound.
Absence without leave from duty without reasonable cause, such absence not amounting to desertion, or not treated as such by the Master	Forfeiture of wages during time of absence.
Insubordination at sea, or wilful disobedience to any lawful command at sea	Forfeiture of two days' wages.
Insubordination, or wilful disobedience to any lawful command	Forfeiture of one day's wages.
Continued wilful disobedience to lawful commands, or continued wilful failure in duty	Forfeiture of wages for the actual time during which the offence continues.
Conspiring with any other of the crew to disobey lawful commands at sea, neglect duty at sea, or impede the navigation of the ship or progress of the voyage	One month's imprisonment.
Wilfully damaging the ship	Three months' imprisonment.

Mr. MATHEWS (Melbourne Ports) [12.25].—Representatives of the Seamen's Union and of the employees have conferred with the Minister in regard to this matter. I think that the honorable gentleman is to be commended for his action, which has greatly assisted in creating a better feeling than has previously existed between the ship-owners and the seamen. The seamen demand that they shall be regarded as human beings, and treated in the same way as men who work on shore. In days gone by they were not so treated. The captain of a ship had power to inflict on his crew punishments that no employer on shore dare attempt to impose on his men.

Mr. Greene.—None of these penalties could be imposed by the captain of a ship, except under agreement with the men. All of them involve proceedings before the Courts.

Mr. MATHEWS.—Quite so. I am simply pointing out that the position of seamen to-day is different from what it was in the years gone by. Until quite recently, they were dealt with in a way that the workers on shore would not tolerate. No doubt the fact that they were separated from the rest of their fellow-men encouraged the old system, and there still seems to be in the minds of some people the idea that they should be treated differently from ordinary human beings. The seamen say, however, that the time has arrived when they will, if necessary, force upon the community the recognition of their right to treatment such as is meted out to workers on the land. No workman on shore who refused to work could be punished in the way for which section 100 of the Act provides. I shall, doubtless, be told that offences at sea are calculated to create more difficulties and trouble than would similar offences on land. That may be so, but those who earn their living as seamen or firemen do not enjoy the privileges and advantages of those who work on shore, and they deserve special consideration at our hands. The Act provides punishment for refusing to work. Every day in the week men engaged in various industries on shore tell the "bosses" to go to Hades, and thereupon cease work. They are not punished. They simply draw their wages, and look elsewhere for employment. The Seamen's Union admits that refusal to work at sea is deserving of punishment, and recommends that the punishment should be forfeiture of pay in respect of the time so lost. If concerted action is taken and seamen

leave their work, which, of course, is regarded as mutiny, the punishment suggested is heavier. The men have conferred with the Minister upon this matter, but he cannot see his way to go as far as they have requested. On many occasions I have spoken to seamen about the work they perform, but sailors do not care to talk much about their experiences at sea, just as soldiers will not speak freely about what occurs on the battlefield. There is a lot of sentiment and romance about a sailor's life, but an air of romance does not carry with it comfort, good pay, or good working conditions. The sailors would rather have the same matter-of-fact treatment that men on shore enjoy. I am certain that their treatment will be better in the future than it has been in the past. The honorable member for Yarra (Mr. Tudor) has already referred to the fact that the seamen and firemen of to-day are a different class from those who followed the calling in the past, and this is due to the fact that by organization they have been able to secure better treatment. We cannot expect refinement from a man who is subjected to brutal handling. It is not long since any request for improved accommodation and better food for sailors was ridiculed, but organization has brought about improvements in such matters, and the seamen claim now that the punishments imposed for crimes committed by them, which on shore would not be regarded as crimes, should be reduced. Whether it is possible to secure any concession for them from this Committee I do not know, but although I have no desire to raise a crisis at this stage upon this particular issue, nor any desire to utter a threat, I can assure the Government and their supporters that if certain forms of punishment are sought to be inflicted upon the seamen engaged on our coast the men will demand, by other methods than by legislation, the removal of all these penalties which they consider unjust, as applied to them. They claim now that legislation should place them on the same footing as men on shore, and treat them as human beings, and they submit that the penalties they suggest are quite sufficient.

Mr. WATKINS (Newcastle) [12.35].—The punishments set out in the Act are not fines in the ordinary legal meaning of the term, but are actual forfeitures of pay to the master of the ship. If honorable members had encountered some of the cases with which I have come into contact in respect to seamen engaged on overseas vessels—and while we are discussing legislation of this kind it is well to keep such matters in mind—they would realize that it is not always the seaman who is to blame, but that very often the skipper of a vessel has deliberately attempted to rob his crew of their wages. An American consul has given me an instance of where this has been done. A number of seamen came to him and asked him for assistance. They had been before him on the previous day and been paid off with £2 each, which was all they swore they had to draw after, I believe, a nine months' voyage. But, apparently, they did this in order to get away from the ship, because when they came before him on the second day and he had cross-examined them, he ascertained their reason for accepting £2 each as their wages. They told him that during the latter period of the voyage the chief mate had evidently laid himself out to drive them out of the ship, and made matters so extremely warm for them that they were compelled to approach the captain and ask for their discharge immediately on reaching port. They offered to leave without drawing any pay, but the master told them he would not leave them without any money, and offered to pay them £2 each. This offer they accepted, and accordingly they swore before the consul that £2 each represented all the money due to them. The skipper of this vessel, who had probably put the mate up to this course of action, netted £300 in this way out of his crew. We may not have skippers on the Australian coastal trade who would do anything like that, but we ought not to make such conduct possible, and should provide that seamen must be treated on the same footing as workers on shore. I do not object to the exercise of a fair amount of discipline in order to prevent a ship from being lost or damaged, but no one can recall any case of a ship having been lost through the men standing up for their rights on board as they would have done if they had been working on shore. Has any honorable member been in a police Court when a sailor has been charged with disobedience of orders to see what chance the seaman has? When sailors,

after reaching port, meet a few friends, and do not return to their vessel, they are taken to Court and carefully put into gaol until their ship is about to leave again. They are maintained at the expense of the Government, and as their wages are deducted while they are thus incarcerated there is so much saving to the ship. It is a very heavy penalty to impose fines of £20 or £10 for comparatively minor offences, and it is certainly a greater punishment than is imposed upon shore workers. I agree with the honorable member for Melbourne Ports (Mr. Mathews) that the sooner we treat sailors as human beings, and improve their conditions as far as we possibly can, even making them better than those of shore workers, because of the long periods for which they are away from their homes, and because of the dangers they run which other people are not called upon to endure, the better it will be for shipowners and the community generally. I hope that the Minister will agree to the new clause and to the principle of imposing penalties on seamen which are much more reasonable than the drastic punishments provided in the Act.

Mr. MAXWELL (Fawkner) [12.42].—Every one will agree that an offence should meet with some punishment, but the question is whether the punishments set out in the Act are too drastic.

Mr. GREENE.—As maximums.

Mr. MAXWELL.—I was just about to point out that the punishments set out in the Act are the maximum penalties that may be imposed. Usually, on the hearing of a charge, all the circumstances in regard to an alleged offence are taken into account and the punishment is made to fit the crime, but my experience is that the tendency is for Courts to take a lenient view of offences of sailors unless they are of a very serious character indeed. I have had a good deal of experience in regard to law breakers—I have had to defend them—and, in addressing the Bench, have frequently had occasion to deal with the matter of punishments. I have had a fair opportunity of noticing the effect that a punishment has on a law-breaker. My experience has led me to conclude that it does not matter much whether the punishment is six months or twelve months so far as its efficiency to act as a deterrent is concerned. I do not care much whether the Minister reduces the maximum or not in regard to certain of the offences set out in the Act, but I am astonished that the honorable member for Yarra should suggest a maximum penalty of one month's imprisonment for the offence of "conspiring with any other of the crew to disobey lawful commands at sea, neglect duty at sea, or impede the navigation of the ship or progress of the voyage."

Mr. GREENE.—He suggests one month's imprisonment in place of six months.

Mr. MAXWELL.—I cannot imagine any honorable member urging that six months' imprisonment is too great a punishment for a man against whom such an offence can be proved, for this is about the most serious of which any seaman can be guilty.

Mr. GREENE.—The punishment is really to meet cases of open mutiny.

Mr. WATKINS.—Very little is regarded as mutiny.

Mr. MAXWELL.—The Court will decide as to the merits of the case, having regard to all the circumstances, and for an offence of this kind the maximum punishment ought to be inflicted. However the Minister may meet the suggestions made in regard to other offences by reducing the maximum punishment, I hope that provided for this offence will at least be permitted to stand, if not increased.

Mr. TUDOR.—What about some of the other offences?

Mr. GREENE.—The trouble is, of course, that absence without leave may have serious consequences.

Mr. MAXWELL.—That is so, and the Minister's interjection applies to all these offences—they may be very trivial, or they may be exceedingly serious.

Mr. GREENE (Richmond—Minister for Trade and Customs) [12.47].—I am sorry that I cannot see my way to accept the proposal of the honorable member for Yarra (Mr. Tudor). It must not be forgotten that, after all, these are maximum penalties, and no honorable member, I fancy, is prepared to deny that the conditions of employment at sea differ very materially, in some respects, from the conditions of employment on shore. In the case of sea employment, the failure of the individual may result in much greater damage than would be the case in land employment. If two or three men absent

themselves from ordinary work on shore, the business may go on pretty well as usual.

Mr. TUDOR.—Not in some cases.

Mr. GREENE.—In the great majority of cases no material difference is felt; but if an equal number of seamen desert from a ship, their absence may result in much delay and serious loss. There is nothing more essential on board ship than strict discipline, within certain limits. The honorable member for Newcastle (Mr. Watkins) gave an instance which he said ought to be an object lesson as to what may happen under the law; but such an instance could not occur under the Australian Navigation Act. The case cited was that of an American ship, and it was dealt with under American law, and what happened there could not happen in Australia under our law. Another honorable member asserted that the fines inflicted for offences go into the owners' pockets. That is not so, for all fines and forfeitures are paid into the public revenue.

Mr. FENTON.—State or Federal?

Mr. GREENE.—When the Navigation Act is in operation, these moneys will go into the Federal revenue. Honorable members must keep in mind the fact that these are maximum penalties, and that the occasions on which such offences are brought before the Court are very few. Desertion on the Australian coast is practically unknown, for the simple reason that under the agreement which the seamen have entered into with the owners, a man may leave at any time on giving twenty-four hours' notice. The Seamen's Union does all it possibly can to discourage desertion. The members who do desert are in most cases undesirables, and the Union is prepared to go to the length of expelling a man from membership who is guilty of such an offence. It is only fair to the Union that this should be known. The penalties can only be imposed by the Court, which has to decide as to the degree of guilt and the degree of punishment. In many cases the maximum penalty is not inflicted, but one considerably lighter. Some of these amendments go far beyond what is a fair thing. For instance, all that is suggested for insubordination at sea and wilful disobedience is the forfeiture of two days' wages, yet such an offence is a most serious one. However, under the Bill the Court may fine a man only 1s. if it likes; there is no necessity to impose the maximum penalty. Then, again, it is proposed that for insubordination or wilful disobedience to any lawful command the punishment shall be the forfeiture of one day's wages. That, of course, might be too little in some circumstances, and too much in others. For continued wilful disobedience to lawful command, or continued wilful failure in duty, the punishment suggested is merely that the man shall not be paid for the time he does not work. No one can deny that there are circumstances under which such continued disobedience or failure in duty might cause the gravest danger to other members of the crew, and yet this minor punishment is provided, although the ship-owner has to continue to feed the offender all the time. The punishments proposed do not "fit the crime." Then for the offence of conspiring to disobey lawful commands, and so forth—an offence which might possibly mean the loss of the ship itself—imprisonment for one month is proposed; and three months' imprisonment is suggested as sufficient for wilfully damaging a ship, though in some cases this has amounted to actually setting the ship on fire and burning it to the water's edge in harbor. Such punishments show no regard for the fitness of things. After talking over the matter with the representatives of the Seamen's Union, we felt that nothing had been advanced sufficient to justify us in asking Parliament to make the maximum penalties less than those proposed—penalties which, so far as we know, are milder than those provided by the legislation of any other maritime nation.

Mr. TUDOR (Yarra) [12.55].—I regret the Minister does not see his way to accept my proposal. It is said that the penalties provided in the Bill are lighter than those provided in the legislation of any other maritime nation. I am informed, however, that in the United States of America, for refusal without reasonable cause to join a ship or proceed to sea, the penalty is the forfeiture of wages to the extent of no more than two days' pay and the payment of ex-

penses properly incurred in hiring a substitute. The penalty provided in our Act is regarded by the seamen as outrageous, and certainly it is a penalty which no one would think of imposing on similar offenders in land employment.

Mr. MAXWELL.—We are considering the maximum penalty, and we ought to keep in view the maximum crime.

Mr. TUDOR.—If men, after working in the country for five or six weeks, come down to town to enjoy themselves, and do not return to time, they are not subject to anything like the penalties imposed upon seamen for a similar offence.

Mr. MAXWELL.—In such a case nothing like the maximum penalty would be inflicted.

Mr. STEWART.—The maximum very often becomes the minimum.

Mr. TUDOR.—That is the trouble. The seamen are, no doubt, in a better position than other workers, for if they get into trouble they have behind them an organization to take up their case, and, if necessary, supply legal assistance. In the past, however, these seafaring offenders have not been properly defended, and have very often been kept in gaol until the time came for the departure of the ship.

Mr. STEWART.—That was the usual custom.

Mr. TUDOR.—It was. The skipper of a ship is all-powerful, and a law unto himself, whereas on shore employers cannot go beyond certain limits.

Sitting suspended from 1 to 2.15 p.m.

Mr. TUDOR.—The policy of placing one man in charge, and making him practically the sole law-giver in regard to shipping is apt to lead to tyranny. That is why the seamen feel that they are entitled to some consideration in regard to penalties. The admission of the Minister that the seamen had met him fairly, and had in some cases dismissed men from the union for having deserted or not arrived at the ship in time, is an argument in favour of treating them leniently. The United States Seamen's Act stipulates that if a seaman refuses to proceed to sea, or is absent without leave, or is absent without cause, he shall forfeit from his wages a sum of not more than two days' pay, or sufficient to defray any expenses which may have been incurred in hiring a substitute. That provision would meet the seamen's desire. I very much regret that the Minister has not seen his way to accede to the wishes of the seamen in this regard. In the past the penalties have been altogether too high. The Merchant Shipping Act of Great Britain, and other laws of the kind, have treated the seamen as uncivilized beings, who were not entitled to the same consideration as were landsmen. I would like the Minister to accept the proposed new clause, or, at any rate, some modification of it.

Question—That the proposed new clause be added to the Bill (Mr. TUDOR's amendment)—put. The Committee divided.

Ayes	10
Noes	24
Majority	14

AYES.

Brennan, F.	Page, James.
Charlton, M.	Tudor, F. G.
Fenton, J. E.	
Mahony, W. G.	*Tellers:*
Mathews, J.	Riley, E.
McDonald, C.	Watkins, D.

NOES.

Bamford, F. W.	Higgs, W. G.
Blundell, R. P.	Hill, W. C.
Cameron, D. C.	Hughes, W. M.
Chapman, Austin	Jackson, D. S.
Cook, Sir Joseph	Mackay, G. H.
Cook, Robert	Marr, C. W. C.
Corser, E. B. C.	Maxwell, G. A.
Fleming, W. M.	Ryrie, Sir Granville
Foster, Richard	Smith, Laird
Gibson, W. G.	
Greene, W. M.	*Tellers:*
Gregory, H.	**Burchell, R. J.**
Groom, L. E.	**Story, W. H.**

PAIRS.

Anstey, F.	Watt, W. A.
Blakeley, A.	Bowden, E. K.
Catts, J. H.	Marks, W. M.
Considine, M. P.	Poynton, A.
Cunningham, L. L.	Wise, G. H.
Gabb, J. M.	Rodgers, A.
Lavelle, T. J.	Atkinson, L.
Lazzarini, H. P.	Bell, G. J.
Mahon, H.	Bruce, S. M.
Makin, N. J. O.	Fowler, J. M.
Maloney, Dr.	Francis, F. H.
McGrath, D. C.	Hay, A.
Moloney, Parker	Lamond, Hector
Nicholls, S. R.	Livingston, J.
Ryan, T. J.	Prowse, J. H.
West, J. E.	Lister, J. H.

Question so resolved in the negative.

Proposed new clause negatived.

Mr. MATHEWS (Melbourne Ports) [2.25].—I move—

> That the following new clause be added:—"Section 135 of the principal Act is amended by adding the following new sub-clause:—
>
> (*e*) make provision, where such can be provided without detriment to the safe navigation of the ship, for a wheel-house, or, if such is not practicable, a framework erection with canvas screens for the protection from the weather of the man at the wheel."

This amendment does not ask for too much. The man at the wheel is on duty in all weathers for two hours at a stretch without any protection. The seamen say that very few Australian ships have a wheelhouse for the protection of the man at the wheel, although he is exposed to all winds, rain, and, in a heavy sea, spray. In cold weather, he cannot walk about to keep himself warm as can the officer of the watch, and, in any case, the officer can shelter himself behind the canvas screens erected for his protection. Nearly all American ships provide a wheel-house for the protection of the man at the wheel, because the ship-owners recognise that they get better steering by reason of such accommodation. It may be argued that we are trying to coddle the seamen too much, but honorable members will admit that the man at the wheel should not be required to remain exposed to the elements for two hours at a stretch without any protection. The provision of a wheelhouse or some shelter would not be very expensive. On big vessels the officer of the watch is sheltered completely from the weather, and on nearly all ships he has some protection against the elements, but the man at the wheel has none. I remember that, on one occasion, when I was rounding Papua in the old *Merrie England*, the weather was so dirty that all passengers had to keep below decks, but the man at the wheel had to remain at his post fully exposed to wind, rain, and spray. As a young man, I was at sea in a barque, and the man at the wheel was subjected to weather conditions that no man should be asked to endure, especially when protection could be easily provided. Surely a ship-owner must get better steering from a man who is protected than from a man who is not. Unfortunately, the ship-owners still cling to the old idea that seamen are not human beings, and the concessions which have been obtained from them in recent years have been yielded grudgingly. I hope the Minister will accept the proposed new clause.

Mr. GREENE (Richmond—Minister for Trade and Customs) [2.30].—This is a matter to which I have already given consideration. My first inclination, following on the representations made to me, was to agree to the insertion of a new clause, covering this same matter; but, upon further cogitation, it appeared to me to be unwise to adopt such a course, because the outcome might lead to conditions which—however worthy the intention — would imperil the safety of a ship. The Director of Navigation has informed me that, as a matter of actual practice to-day, in heavy weather the man at the wheel is, in almost every instance, provided with some shelter. I have before me a memo. prepared upon this point, in which the Director of Navigation says—

> The inclusion of the clause appears to me to be unnecessary, as I consider that the practice is so generally adopted in modern ships that the wisdom of interfering with the control of the master in these matters is doubtful.
>
> While it is a fact that for a long time masters of deep-water sailing vessels could not bring themselves to believe that an officer could keep his watch behind a dodger in shelter from the wind, nowadays very few remain who still hold with the idea that an officer must be marching the weather side of the poop in a gale of wind to be awake.
>
> The real objection that will be raised to the clause is that when a vessel is in narrow waters or in a fog, the helmsman must necessarily be on the flying bridge of the vessel. Here the erection of a canvas screen or dodger round the standard compass would certainly interfere with the navigation of the vessel in certain cases.

The difficulty which I see in compelling the erection of these screens in all circumstances is that, in practice, there would be involved an interference with the discretion of the master concerning the safety of his vessel. I have every sympathy with the seamen in the discharge of their duties, but I ask the Committee not to agree to the new clause, for the reasons which I have mentioned.

Mr. TUDOR (Yarra) [2.33].—I am sorry that the Minister is not disposed to accept the proposal. The view of the steersman would not be impeded in any way by the construction mentioned in the clause. If, as the Minister says, the

protection is generally provided to-day, why should he not agree to it being set forth in black and white that owners shall provide the shelter?

Mr. STEWART (Wimmera) [2.35].—I hope the Minister will reconsider his decision. It is asking very little to provide protection for the man at the wheel who, in his exposed position, has highly responsible duties to perform. It has been my lot to see more than one helmsman overwhelmed by seas at the wheel. He has been torn from his post, and his ship has only narrowly escaped destruction owing to the loss of control. The whole history of shipping is a long series of disasters, owing to vessels being pooped by big seas. From the humanitarian view-point, the Government should not hesitate to compel the provision of necessary shelter. I have walked away from the wheel on many an occasion having no feeling at all in my legs below the knees. I had to stand for hour upon hour in sleet and snow when, if the water dashing about me had been fresh, it would have frozen.

Mr. MARR.—In the British Navy the man at the wheel is protected.

Mr. STEWART. — What is good enough for the British Navy should be made compulsorily good enough for the merchant service. It is strange and unfortunate that every concession in the interests of men on shipboard has to be wrested from the owner at the point of the bayonet, so to speak.

Mr. GREENE.—There is no question of cost involved here. The whole matter hinges upon the inadvisability, in some circumstances, of making compulsory such provision as is indicated in the clause.

Mr. STEWART. — Seeing that the Minister has already pointed out that protection is afforded in nearly every instance, he would not be doing wrong in accepting the clause.

Mr. GREENE (Richmond—Minister for Trade and Customs) [2.40].—I suggest that the honorable member for Melbourne Ports (Mr. Mathews) consent to an amendment of his proposed new clause, to make it read:—

> make provision, where such can be provided without detriment to the safe navigation of the ship, for a wheelhouse, or, if such is not practicable, an ordinary canvas weather cloth be provided.

What I am anxious to avoid is the erection of a defined structure, in certain positions, which it would be practically impossible to remove. If the honorable member will agree to my suggestion, my chief objection to the clause will have been overcome, and, at the same time, the seamen will be given all that they are asking for.

Mr. MATHEWS (Melbourne Ports) [2.42].—I cannot see the force of the Minister's contention. I understand that he will be content to set forth in the Act that that which is at present generally provided shall be considered sufficient. But that would not meet the views of the seamen. It is all very well to place a canvas screen out in front of the wheel, some ten feet distant, but overhead protection is not thus afforded. Why should seamen be compelled to undergo exposure from the weather when the smallest amount of trouble and expense would be involved in providing protection? Market gardeners, as they bring their produce into the city and return, may be seen comfortably ensconced in little canvas shelters upon their vehicles, in the wettest and heaviest weather. Surely something, affording both overhead and side protection, could be safely, easily, and cheaply provided for the man at the wheel.

Mr. GREENE.—Such provision exists in almost every case to-day, but circumstances occasionally arise in which it is inadvisable to have such provision. We should not interfere with the discretion of the master in those special conditions.

Mr. MATHEWS.—I appreciate the attitude of the Minister, and realize that it is not antagonistic; but, if the matter of providing protection for the helmsman is left to the master, it will be tantamount to putting the responsibility upon the shipowner.

Mr. GREENE.—No; the practicability of erecting shelter will not rest with the ship-owner, but with the Department of Navigation. That is to say, the discretion of the master will be the guiding factor.

Mr. MATHEWS.—Could we ask for less?

Mr. STEWART.—I advise the honorable member to hold to his amendment.

Mr. MATHEWS.—I do not think we could ask for less. The Minister, I believe, wants to give us what we are asking for, but objects to insert such a

provision in the Bill itself, because it might place some ship-owners in a rather awkward position.

Mr. GREENE.—Not at all. The sole consideration is the safety of the ship.

Mr. MATHEWS.—I am going to stand by my amendment.

Mr. GREENE.—Very well. I am trying to meet the honorable member quite fairly, but if he insists upon his amendment I can do no more.

Mr. MATHEWS.—Then I shall have to ask for the support of the Committee.

Mr. STEWART.—All that the honorable member asks for is that where a permanent structure cannot reasonably be erected, a temporary structure shall be provided.

Mr. MATHEWS.—Exactly.

Mr. GREENE (Richmond—Minister for Trade and Customs) [2.47].—As a matter of fact, the honorable member for Melbourne Ports (Mr. Mathews) is asking that a permanent structure be provided, and that is exactly what we desire to avoid. I am offering to provide that a temporary structure shall be set up. I wish to meet the honorable member, and am endeavouring to do so. If he cannot meet me to some extent, then we shall have to abide by the decision of the Committee. If the proposed new clause be thrown out, however, I shall be powerless to move any further amendment dealing with the matter. I mention this only that the honorable member may know exactly where he stands.

Mr. FENTON (Maribyrnong) [2.49].—If the proposed new clause were rejected, it would still be possible for the Minister (Mr. Greene) to take action to carry out the object that we have in view. It has been my good fortune to inspect some of the cargo vessels recently constructed to the order of the Commonwealth Government, and I am able to say that they have provided the shelter for which the honorable member for Melbourne Ports (Mr. Mathews) asks.

Mr. GREENE.—That has been done in practically every ship where such a shelter can be provided; but in some cases a permanent framework to carry a canvas screen would be inadvisable. I do not profess to be an expert, but I am advised to that effect.

Mr. FENTON.—It would be a curiously constructed ship on which rods could not be erected to carry a canvas screen, or curtains, to shelter the man at the wheel. Where there was any suggestion of danger, these canvas curtains could be drawn aside, so that the man at the wheel would have an unobstructed view. I think it would meet our purpose if the Minister would agree to provide that this shelter shall be erected in all cases where practicable. We shall increase the safety of our shipping by enacting that the man at the wheel of a vessel shall have some reasonable protection from the weather.

Mr. GREENE.—If my proposed amendment of the new clause is inserted, the whole question as to the practicability or otherwise of erecting the shelter will rest, not with the ship-owners, but with the Department of Navigation.

Mr. FENTON.—After all, it is only a small matter on which it should not be necessary to divide the Committee. I hope that the Minister will see his way clear to give effect to the desire of the honorable member for Melbourne Ports. The safety of a ship very materially depends upon the man at the wheel, and he ought to be protected from the weather.

Mr. TUDOR (Yarra) [2.53].—The Minister for Trade and Customs (Mr. Greene) is prepared to make some concession, but the honorable member for Melbourne Ports (Mr. Mathews) thinks that he should go further. I have been on as many navigating bridges as has the average landsman, and I know that the captain and officers, while on duty, have a house in which to seek protection from the weather. But between the wheel and the compass there is a space of about 2 feet, and also a clear space on the other side for the officer on duty; so that a canvas screen, 4 feet, 6 feet, or 8 feet in front of the man at the wheel does not prevent him from being drenched by every wave that comes aboard. Our desire is that the man at the wheel should be afforded reasonable protection from the weather, and the screen which the honorable member for Melbourne Ports thinks should be erected could be readily removed when a vessel was coming into port.

Mr. BAMFORD.—Does the Seamen's Union ask for this shelter?

Mr. TUDOR.—Yes; the representatives of the union have assured me that they are anxious to secure it. The hon-

orable member for Herbert (Mr. Bamford), who has an intimate knowledge of seafaring life, will recognise that the man at the wheel, who is exposed to all weathers, is entitled to some consideration. The honorable member for Wimmera (Mr. Stewart), who has also followed a seafaring life, supports our proposal, which, in my opinion, would add to the safety of a vessel. The honorable member for Melbourne Ports, who has already spoken twice to this question and therefore cannot again address himself to it, suggests to me that the position might be met by agreeing to the proposed new clause submitted by the Minister on the understanding that a regulation dealing with the whole matter shall be framed.

Mr. GREENE.—I am prepared to move to amend the proposed new clause by omitting the words "a framework erection with canvas screens for the protection from the weather of the man at the wheel" and inserting in lieu thereof the words, "such temporary shelter as may be prescribed."

Mr. TUDOR.—Very well.

Proposed new clause amended accordingly, and agreed to.

Mr. MATHEWS (Melbourne Ports) [2.56].—I move—

That the following new clause be inserted:—"Section 135 of the principal Act is amended by adding the following paragraph:—"(*f*) provide in all ships of 1,500 tons gross and over built after the commencement of this Act, berthing accommodation for each seaman or apprentice a space of not less than 180 cubic feet and of not less than 26 superficial feet measured on the deck or floor of that space."

There has been a lot of discussion, and much heart-burning, in regard to this matter on the part of both seamen and ship-owners. Ship-owners, who are naturally "after the profits," have tried to confine as much as possible the space allotted for the accommodation of seamen on ship-board. From time to time, that space, however, has been increased, and better conditions have been secured. I would draw special attention to the fact that the proposed new clause provides that in the case of all ships of 1,500 tons gross and over "built after the commencement of this Act," this additional accommodation shall be provided for seamen and apprentices. That meets the old argument that it would be impossible, in the case of many vessels, to make the structural alterations necessary to permit of this increased space being allotted to the men. If we agree to this clause, those who build ships after the commencement of the Act will know what, in this regard, is expected of them. Australian ship-owners will not be able to claim that they have to compete with ship-owners in other countries who are not called upon to conform to such conditions, since seamen all over the world are demanding better conditions. We have been told to-day that ship-building in Australia is as cheap as anywhere else, and there is no reason why our ship-owners should not be called upon to allot this increased accommodation to their men. The men themselves say, "We think the space allotted for seamen as their berthing quarters is far too small, and as a seaman has to spend the greater portion of his life on board ship he ought to be entitled to at least the same space as a passenger." I know that there are people who will laugh at such a claim, but it really does not ask too much. Does anybody who goes to sea, even as a passenger, ever consider that he is given enough space for comfort? And yet the passenger accommodation is infinitely superior to that provided for the seamen. I admit that there are economic difficulties, but they can and ought to be surmounted if we are a civilized people. We are told by the Seamen's Union—

We think that the present space allotted to seamen in their berthing quarters is far too small, and as a seaman has to spend the greater portion of his life on board ship, he ought at least be entitled to the same space as a passenger. In the Merchant Shipping Act of as far back as the year 1855, the passenger regulations (schedule 10, section 3, Merchant Shipping Act 1906) says, "That if the height between the lower passenger deck and the deck immediately above it is less than 7 feet, no greater number of passengers shall be carried on such deck than in the proportion of one statute adult to every twenty-five clear superficial feet thereof."

Mr. GREENE.—That refers to the whole deck space, whereas we are dealing with cabin accommodation—actual berthing accommodation. There is no comparison.

Mr. MATHEWS.—We are further told—

There are very few ships on the Australian register where the height of the crew's quarters under deck exceeds 6 feet 6 inches, and as

the regulations for passengers above referred to applied to second-class and steerage passengers in immigrant ships at that time, when ships were much smaller, and shipbuilding was not nearly as far advanced as it is at the present time, surely the seaman of the twentieth century is entitled to a little more space than the immigrant of the old sailing ship of over sixty years ago. Further, it must be remembered that the seaman has to make his home on board ship, and the passenger is only there for a short period.

The seamen persist in emphasizing the fact that they have practically to live on board—

When the ship reaches port the passenger goes ashore, but the seaman has to remain on board, or if he leaves he has to join another ship in a very short time and put up with the same conditions again.

Certainly seamen are now given considerable advantages as compared with the past, but all they have obtained they have had to fight for. During the last few months they have had to resort to direct action, which many seafaring men prefer; and though I am of opinion that their demands ought to be met in a peaceful way, direct action should be held in reserve to be used when necessary. I believe in the old method when men cannot get a fair deal by other means. I have known a Minister of the Crown take a foot-rule and measure out on the floor the space which would be required if the men's demands were granted; but my reply to that is that those demands represent only about one-sixth of the space which a man would be given on shore. In a number of houses in my electorate the rooms are not large, but they are bigger than the accommodation provided on board ship, and yet, if as many men were put into one of them as are asked to berth together at sea, the Board of Health would interfere. We ought to remember that the better conditions the better the class of men who will enter the calling. No doubt their treatment in the past brutalized men, and this largely accounts for the allegations that if proper lavatory and bathing accommodation is provided, the men allow it to get into a filthy condition. For that, I say, their environment is largely responsible, bringing out, as it does, their worst qualities. With better conditions, a man is encouraged to look after himself, and to prefer cleanliness. Australian seamen, like all Australians, are a bit proud, and desire cleanliness and civilized surroundings. They now claim the same air space that is demanded for the people ashore, and the demand is reasonable. Possibly the Minister will tell us that my proposal is not feasible; but ship-owners, both private and State, will have to realize the fact that the old days of the "boss" who insisted on running his business "in his own way" are gone, it being realized that those employed have as much interest in it as the employer.

Dr. MALONEY (Melbourne) [3.9].—I hope the Minister will accept the proposed new clause, for if ever compulsion was needed it is in relation to the accommodation provided for seamen. On the 5th May, 1900, there was a debate on shipping matters in the House of Commons. At that time, Lord Salisbury was Premier, and Mr. Ritchie President of the Board of Trade. The Peninsular and Oriental Company then allowed only 36 cubic feet for their men, and in justification pleaded, when entering English ports, that they were under the Indian law. This 36 cubic feet meant something like 2 feet wide by 6 feet long, or the dimensions of a double-size coffin. Mr. Ritchie pointed out that it was not due to lack of continual warning that the Peninsular and Oriental Company could plead ignorance as to what its duty was, and although one of his colleagues was a director of the company, he said that the time might come when it would have to be prosecuted criminally. The motion on which this debate took place was introduced by Mr. Wilson, a member for one of the English sea-port towns; and ultimately every vessel of the Peninsular and Oriental Company that left the port of London was deprived by the authorities of space for cargo to the extent of the difference between the 36 cubic feet provided and the 120 cubic feet demanded by English law. I may point out that had it not been for the compulsory four-hours duty on deck, the death rate amongst sailormen would have shown their calling to be the most dangerous known in Britain. It was this enforced duty on deck that preserved their health, and saved them from having to remain under infernal conditions in their quarters, generally below water line, with no means of ventilation. I came to Australia no

less than five times as doctor on board passenger ships, and on not one occasion did I observe that proper accommodation was provided for the sailormen. There has been a continual fight between sailors and owners—a fight marked at times with absolute murder. The Plimsoll mark is disappearing, and many ships are sailing without it under the British flag. The time was when a merchant could say that his best market was under the sea, provided the ships and goods were properly insured.

Mr. Stewart.—And many found that market.

Dr. MALONEY.—Many were designedly sent to the bottom. Some forty years ago I remember a man in this city making use of that saying in my presence. As a youngster I wondered, and asked my boss what was meant. I was informed that the merchant preferred that "market" even if it involved the loss of ship and crew, and when I suggested that that was murder, my boss smiled grimly and agreed with me. Honorable members may not be aware that architects of the present day are allowing a greater number of cubic feet than ever before in factories, because it is realized that workers must have ample light and fresh air. Even the picture theatres of this city are setting an example to some of the churches in this connexion. Only within the last ten years has the sailorman been winning a decent position in life. The accommodation for which we are asking would mean merely a space 3 feet by 6 feet by 10 feet. Surely that is little enough.

Mr. Mathews.—Or 6 by 6 by 5 feet.

Mr. Tudor.—The bunks are above each other, and a space of 18 inches between them and the wall is little enough.

Dr. MALONEY.—I have previously mentioned to the House the scandalous way in which the seamen and others were treated on board one of the Orient steamers. I boarded the vessel at Fremantle, and General Lassetter and two nurses called my attention to the disgraceful accommodation provided for the crew. I accompanied General Lassetter on a visit of inspection to the men's quarters, and I found that the owners had tried to crowd 100 men into the space provided for 80. When the seamen struck in port, and would not sail under those conditions, the vessel put to sea, and it was then found that eight additional men had been crowded into each compartment designed to accommodate forty. There was no accommodation for the men to sit down to meals; they had to eat in the alleys. Yet on that great steamer the cost of a first class saloon passage to Australia was £120. As members of Parliament, we must get out of our minds the idea that the owners will ever go out of their way to provide proper accommodation for the seamen. I remember Professor Scott, of Melbourne University, calling my attention to a report which was published in the weekly edition of *The Times*, in 1900, in which a British Admiral, who was a member of the House of Commons, said that the Peninsular and Oriental Company employed more lascars than any other company, and was partly responsible for the under-manning of British men-of-war, because, said he, "England's battles cannot be fought with lascars and foreigners." The debate on that occasion led to the passing of legislation controlling the employment of lascars on board ship.

Mr. CHARLTON (Hunter) [3.20].—This is a very important amendment, and it commends itself to me. I am surprised that we have not previously stipulated that an adequate space shall be allowed to each seaman. An area of 6 by 6 by 5 feet is little enough for anybody. I do not wonder that there is difficulty in getting men for the shipping service, if the accommodation provided for them is not in conformity with that provided in other occupations. I understand that one of the vessels being built by the Commonwealth at the present time includes the provision for which the proposed new clause stipulates. We should make such provision general. From a health point of view, it is necessary to provide proper breathing space. As a passenger on board ship I have always found the space too limited; but the seamen, who work on the vessels day after day, and month after month, have not nearly as much space as have the passengers. We have far too much regard for the owners' point of view. The ship-owner, like every other employer, is constantly urging his side of the case, and he cannot be blamed for so doing; but Parliament should be able to decide what is reasonable accommodation

in the interests of all concerned. We should effect some improvements on the conditions which existed, say, thirty or forty years ago.

Mr. GREENE.—We have already done that, particularly in regard to space.

Mr. CHARLTON.—Then, why not concede what the amendment asks?

Mr. GREENE.—We think that we have already gone as far as is wise.

Mr. CHARLTON.—That is a matter of opinion. I do not think it would be unwise to allow each man a space 6 by 6 by 5 feet.

Mr. GREENE.—There are very few saloon berths that give that space to the passenger.

Mr. TUDOR.—They provide a space of 6 feet by 3 feet, and there is at least 3 feet between the bunk and the cabin door.

Mr. GREENE.—But there are three berths in a cabin.

Mr. CHARLTON.—I do not know how seamen who are 6 feet in height manage to squeeze into the accommodation that is provided. I am not a very big man, but if I had to crowd into the space which is allowed to a seaman, I would be touching each end of the bunk. I urge the Minister to give this question more careful consideration. He has been endeavouring to meet the desires of different honorable members as far as possible, especially of those members who are closely identified with the shipping industry. By accepting this amendment, he will render a good service not only to the seamen, but to the community generally, because there will be an additional inducement to men to engage in seafaring life.

Mr. **TUDOR** (Yarra) [3.25].—Section 135 of the principal Act provides that the owner of every steam-ship registered in Australia or engaging in the coastal trade—

> shall, except as in the next two paragraphs mentioned, provide for each officer, up to at least four, a separate room having a cubic content of not less than 180 feet, and having a separate entrance to the deck, and not opening directly into the engine-room; or
>
> (*c*) in the case of limited coast-trade steam-ships of less than 300 tons gross registered tonnage, provide for each two officers a separate room having a cubic content of not less than 350 cubic feet, and having a separate entrance to the deck, and not opening directly into the engine-room.

In both instances there is to be an opening into the alley-way, which means additional air space, yet the accommodation to be provided for each officer is 180 and 175 cubic feet respectively. I have previously mentioned in this House the accommodation on the *Rotomahana*, where the bunks are so close together that a fireman of stout build had to get out of his bunk in order to turn over. On the American steam-ship *Liberty* the seamen's quarters under the poop, to accommodate twelve men, measure 34 by 13 by 7 ft. 6 in., or approximately 276 cubic feet per man. In addition, there are iron spring beds, supplied with bed and bedding, which is changed once a week, ventilation by five 12-in. port-holes, one ventilator, and fly or screen door, four double electric lights, two fans for cooling purposes, and four radiators for heating.

Mr. GREENE.—We are already providing for radiators and electric fans.

Mr. TUDOR.—They are very necessary. We are not asking for a cubic space of 276 feet per man. Twenty-six feet of deck or floor space means merely an area 6 feet by 4½ feet, of which the bunk will occupy 3 feet by 6 feet. The seamen have not only to sleep in that space, it is also their living and dining room. In any modern factory the cubic space per employee is infinitely greater than is provided for in this amendment; and that space is only for working, not for living and eating. We ask the Minister to agree to stipulate the accommodation mentioned in the new clause, and to provide that all new ships built by the Commonwealth shall be in strict accordance with the Act, providing the space mentioned as a minimum, and, if possible, giving the same accommodation as on the American steamer *Liberty*.

Mr. **MATHEWS** (Melbourne Ports) [3.30].—All that is asked for is space per man amounting to 6 feet by 6 feet by 5 feet. Surely that is not too much air space. Commonwealth ships hitherto constructed did not conform to the provision of 6 feet by 3 feet space, and some structural alteration has been required. That fact indicates how little either the general public or the actual ship designers know of what is really necessary in the health of seamen. How long would

honorable members care to be boxed up, four of them together, in a four-berth cabin? Seamen have to live in such conditions day after day and month after month.

Mr. **GREENE** (Richmond—Minister for Trade and Customs) [3.35].—This is one of the questions which I discussed with the seamen themselves. After giving the whole of the points grave consideration, I came to the conclusion that I could not ask Parliament to consent at present to an alteration of this vital provision in the Act. In the first place, our navigation laws are much more liberal than those of any other country in the world. I will furnish figures to indicate to what extent the requirements of our Act exceed those in existence elsewhere. The Australian Navigation Act provides for 140 cubic feet capacity and 18 super. feet by way of floor area. There is also separate mess room, sanitary, bath and hospital accommodation. In Great Britain the cubic capacity is 120 feet, and the floor area 15 super. feet. The space occupied by messroom and washing place, if provided, may be deducted from accommodation space, provided that the latter be not reduced below a minimum of 72 cubic feet and 12 super. feet. The last-mentioned measurements are all that are required in vessels up to 300 tons net. Under the New Zealand Act, the cubic capacity is 72 feet, and the floor area 15 super. feet; the general provisions are the same as those existing under the British Act. In Canada, the provision is for 72 cubic feet and 12 super. feet, but there is no provision for messroom, bathrooms, &c. In the United States the provision is 120 cubic feet, and 16 super. feet. Washing places are provided, but there is no provision for mess room. In Germany the provisions are 123½ cubic feet, and 16 super. feet. There, mess accommodation is provided for half the crew, and there is a bathroom as well as facilities for washing clothes. In France the same figures rule as in respect of Germany, and washing-places are provided. In Norway the provision is 120 cubic feet, and 17.2 super. feet. Twenty-five per cent. of the space occupied by separate mess rooms, if provided, may be deducted from the space allowed for sleeping quarters. There are no bathrooms, &c. In Japan there are, as yet, no legal requirements, and conditions are regulated by custom. I emphasize that, in connexion with the space provided under the Australian Act, it is space for sleeping quarters only. It must not be forgotten that the space available in a ship is that which determines its earning capacity.

Mr. Tudor.—That is the whole trouble. The owners will not provide sufficient space for the men. They would sooner carry cargo.

Mr. GREENE.—We believe that it will be found, when our legislation is in operation, that a reasonably adequate amount of space has been provided. The Act has not yet had a trial.

Mr. Richard Foster.—Present-day constructions are being carried out in conformity with the Act.

Mr. GREENE.—Unfortunately, that is not so in respect of some vessels; but others, again, are being built in which special provision has been made to fulfil the requirements of the Act. Space governs the earning capacity of a vessel; and, while one may have every desire to meet the requirements of the seamen, it must not be forgotten that, if the mark is over-stepped, the public must ultimately pay by way of increased charges. Thus, the burden will return upon the producers and the general public.

Mr. Mathews.—And so it should, so long as the seamen are provided with decent conditions.

Mr. GREENE.—Quite so—if our present provisions are inadequate. Seeing that the provisions of our legislation are, so far as we know, in advance of those in any other Act in the world, I stress that we should give them a trial. Let us ascertain what the furnishing of this increased space will mean in added charges to the public; for it must not be overlooked that such space as is already provided for will involve increased freight costs. Subsequently, if it is found in practice that amendments of the Act are desirable, the matters involved will be for Parliament to deal with.

Mr. MAXWELL.—Is there provision for ventilation in our Act?

Mr. GREENE.—Yes.

Question—That the proposed new clause (Mr. MATHEWS' amendment) be added—put. The Committee divided.

Ayes	11
Noes	24
Majority	13

AYES.

Brennan, F.	McDonald, C.
Charlton, M.	Page, James
Fenton, J. E.	Tudor, F. G.
Hill, W. C.	*Tellers:*
Mahony, W. G.	Mathews, J.
Maloney, Dr.	Riley, E.

NOES.

Blundell, R. P.	Higgs, W. G.
Bruce, S. M.	Hughes, W. M.
Cameron, D. C.	Jackson, D. S.
Cook, Sir Joseph	Lister, J. H.
Cook, Robert	Mackay, G. H.
Corser, E. B. C.	Marr. C. W. C.
Fleming, W. M.	Maxwell, G. A.
Foster, Richard	Ryrie, Sir Granville
Francis, F. H.	Smith, Laird
Gibson, W. G.	
Greene, W. M.	*Tellers:*
Gregory, H.	Burchell, R. J.
Groom, L. E.	Story, W. H.

PAIRS.

Anstey, F.	Watt, W. A.
Blakeley, A.	Bowden, E. K.
Catts, J. H.	Marks, W. M.
Considine, M. P.	Poynton, A.
Cunningham, L. L.	Wise, G. H.
Gabb, J. M.	Rodgers, A. S.
Lavelle, T. J.	Atkinson, L.
Lazzarini, H. P.	Bell, G. J.
Mahon, H.	Fowler, J. M.
Makin, N. J. O.	Hay, A.
McGrath, D. C.	Lamond, Hector
Moloney, Parker	Livingston, J.
Nicholls, S. R.	Prowse, J. H.
Ryan, T. J.	Bamford, F. W.
Watkins, D.	Bayley, J. G.
West, J. E.	Best, Sir Robert

Question so resolved in the negative.

Proposed new clause negatived.

Progress reported.

POST AND TELEGRAPH—RATES BILL.

Assent reported.

SELECT COMMITTEE ON SEA CARRIAGE.

Third interim report presented by Mr. RICHARD FOSTER.

Ordered to be printed.

ADJOURNMENT.

DEFENCE DEPARTMENT APPOINTMENT—TAXATION DEPARTMENT: APPOINTMENT OF INVESTIGATION OFFICER—ANSWERS TO QUESTIONS.

Motion (by Mr. GREENE) proposed—

That the House do now adjourn.

Mr. TUDOR (Yarra) [3.50].—There are two matters that I desire to bring before the House. I am informed that it is proposed to transfer from the Victorian State Service to a position in the Defence Department an officer who has been on loan to that Department. Commonwealth public servants naturally claim that such positions should be allotted to them. The State Service is not open to Commonwealth officers, and, that being so, Commonwealth officers should have the first claim to vacancies in the Service. Officers of the Department have already protested, but have obtained no satisfaction. I hope that the Assistant Minister for Defence (Sir Granville Ryrie) will take this matter into immediate consideration. I desire now to draw the attention of the Treasurer (Sir Joseph Cook) to the fact that in this week's issue of the *Commonwealth Gazette* there appears an advertisement inviting applications from persons outside the Service for the position of Investigation Officer in the Commonwealth Taxation Department. As honorable members know, more skilled officers have retired from that branch of the Service than from any other, in order to enter upon outside business pursuits.

Mr. BURCHELL.—And returned soldiers have more trouble in obtaining preference of employment in that Department than in any other.

Mr. TUDOR.—I have not heard of that. There are in the Taxation Department, and other branches of the Service, a great number of officers who have spent years of study and large sums of money in qualifying in accountancy and business principles. These men are now to be overlooked, and are told that some one from outside is to fill this position. For years this investigation work, I am advised, has been satisfactorily performed by qualified men already in the Service. Officers in the Department ask that the advertisement be withdrawn, and that applications should first of all be invited

from those within the Service. If no applications are received from members of the Commonwealth Public Service who are qualified for the position, the ordinary routine of inviting applications from outside may then be followed. Having regard to the fact that many officers are leaving the Service, it is unwise for the Taxation Department to confine this position to outsiders; and it is certainly unwise that the Defence Department should go to the State Service for an officer to fill a position for which many men already in the Department are admirably qualified.

Sir Joseph Cook.—Will the honorable member give me a copy of his statement of the facts?

Mr. TUDOR.—I will. I presume that applications for the position in the Taxation branch will not close for some little time; and I hope that the Treasurer will see that the advertisement is withdrawn, and applications invited, in the first place, from persons within the Service.

Dr. MALONEY (Melbourne) [3.52].—On several occasions I have endeavoured, by means of questions addressed to Ministers to obtain information on matters of public importance, but have received most unsatisfactory replies. If the information is denied me, I shall have to take whatever course the rules of the House permit.

Sir Joseph Cook.—But the honorable member asks me such awkward questions.

Dr. MALONEY.—Two of the replies of which I complain were supplied by the right honorable gentleman. I do not blame him, but I think that the permanent head of the Department, who is responsible for the answers to questions on notice, should recognise that, in addressing to Ministers questions of public importance, an honorable member believes that he is doing his duty to those who send him here.

Sir JOSEPH COOK (Parramatta—Treasurer) [3.55].—Might I suggest to my honorable friend Dr. Maloney that, instead of grumbling in the House, he should see me in regard to the answer given to any question with which he disagrees.

Dr. Maloney.—There is something in that suggestion, but the right honorable gentleman is not the worst offender.

Sir JOSEPH COOK.—So much for that matter. As to the complaint made by the Leader of the Opposition (Mr. Tudor), I know nothing of the advertisement to which he refers; but we certainly require a lot of competent men in the Taxation Department. I may tell the honorable member that I gave authority the other day for something like thirty appointments. The investigation work to which he refers is not being done, and, because of that, we are losing hundreds of thousands of pounds. I shall be glad to look into the case to which the honorable member refers. He knows, however, that the Act makes the Commissioner of Taxation in all matters of administration independent of the Ministerial head of his Department.

Mr. Burchell.—Has the Commissioner for Taxation the right to make an appointment in a case like that to which the Leader of the Opposition has referred?

Sir JOSEPH COOK.—Subject to the Public Service Commissioner, who governs all such appointments. If the Commissioner for Taxation has invited applications from outside I apprehend that he has obtained from the Public Service Commissioner permission to do so.

Question resolved in the affirmative.

House adjourned at 3.57 p.m.

House of Representatives.

Tuesday, 5 October, 1920.

Mr. Speaker (**Hon. Sir Elliot Johnson**) took the chair at 3 p.m., and read prayers.

PAPERS.

The following papers were presented:—

Railways—Report, with Appendices, on the Commonwealth Railways for 1919-20.

Ordered to be printed.

Defence Act—Regulations Amended—Statutory Rules 1920, Nos. 161, 164, 165.

Public Service Act—Regulations Amended—Statutory Rules 1920, Nos. 153, 169.

War Precautions Act—Regulations Amended—Statutory Rules 1920, No. 168.

SHIPBUILDING.

New Agreement: Boilermakers at Cockatoo Island.

Mr. FLEMING.—Will the Prime Minister state whether it is a fact that the boilermakers at Cockatoo Island Dockyard, by refusing to sign the new agreement, are holding up shipbuilding; and, if so, what action the Government propose to take?

Mr. HUGHES.—I understand that there is a dispute of some sort with the boilermakers at Cockatoo Island, and since shipbuilding is in the main dependent upon boilermakers it is a fact that there is delay. I should like to add that the draft of a new agreement for shipbuilding has been made. It is now before the unions concerned, and there is no reason to believe that they will not sign it. The honorable member will recollect that a Conference was held, a little while ago, at which the representatives of the unions concerned in shipbuilding were present. As a result of that Conference this new agreement has been drawn up. Coming to the second part of the honorable member's question, as to what the Government propose to do in regard to shipbuilding at Cockatoo Island, the answer may be given quite shortly. The Government propose not to build ships at Cockatoo Island unless and until a very clear understanding has been arrived at with the Sydney branch of the Boilermakers Union, which caused considerable trouble under the present agreement, and apparently contemplates repeating its tactics in connexion with the new one. Unless and until it signs the agreement no ships will be built at Cockatoo Island.

CONSTITUTION CONVENTION.

Mr. BLAKELEY.—In view of the heavy cost which the election of a Convention to deal with the amendment of the Constitution would involve, will the Prime Minister take into consideration the advisableness of amendments being drawn up by this Parliament and submitted to the people?

Mr. HUGHES.—No. This Parliament has, on four different occasions, proposed amendments of the Constitution, and the people have rejected them. The Constitution was originally drawn by a Convention elected directly by the people, and now that twenty years have elapsed we are fairly entitled to call another Convention to review the Constitution, and to consider how far, it at all, it should be amended. We should let the authority which drafted the Convention submit the amendments. I think the honorable member will recognise that no matter how much we desire to amend the Constitution unless and until the people accept the amendments this Parliament is powerless in the matter. We might save a little time, and a little money, by dealing with the whole question in the way proposed by the honorable member, but we should waste it all, since when we went to the jury that jury would turn down our proposals. I, therefore, do not propose to consider the suggestion.

CUSTOMS DUTIES AND FOREIGN EXCHANGES.

Imports from France.

Mr. MARR.—In view of the serious position in regard to the importation of goods from France, I desire to ask the Minister for Trade and Customs whether the Government have yet taken into consideration the question of foreign exchanges in relation to the valuation of goods for Customs purposes; and, if so, whether he will make a statement on the subject?

Mr. GREENE.—As I intimated last week, in answer to a question put to me in this House, legislation has been prepared modifying to some extent the existing law, and it will be introduced at the first opportunity.

Mr. BRUCE.—I desire to ask the Minister for Trade and Customs whether, if this remedial legislation is already drafted, he will move at once for leave to bring in the Bill and have it read a first time? No delay in the proceedings of the House would be involved by taking that action.

Mr. GREENE.—That will be done at the first opportunity which presents itself for the House to deal with the matter.

COAL INDUSTRY.

Export Duty: Increase in Price.

Mr. HIGGS.—There is an impression in Brisbane that the Government propose to place an export duty on coal. Will the

Prime Minister explain, for public information, what the position is?

Mr. HUGHES.—One learns from rumour, and from the press, a great deal of the intentions of the Government, of which I, unfortunately, have not previously heard. It is not the intention of the Government to put an export duty on coal. The people of Brisbane may rest assured that, among the many troubles that are in store for them, an export duty on coal will not be included.

Mr. HIGGS.—Will the Prime Minister state whether any arrangement has been made whereby coal-owners may add to the export price of coal an amount equivalent to the increase in wages paid to the coal-miners?

Mr. HUGHES.—In respect of all coal sold outside the Commonwealth the coal-owners are allowed to charge that increased price per ton which the President of the Tribunal, Mr. Hibble, declares to be on the whole fair and reasonable. That is an interim arrangement. When the Board of Accountants determines by actual calculation what increase is justified by the increase in wages, the price—export and local—will be adjusted thereto. The increased price for oversea coal will not, of course, apply to Queensland.

In order that I may be clearly understood, I will put the matter again. What I said was that what had been done applied to coal sold outside the Commonwealth. Oversea shipments are sold in separate cargoes, and each shipment is, and must be, a finished transaction. With regard to coal sold inside Australia, the price is to be that price which the Special Tribunal of experts to which I have referred will determine.

Mr. HIGGS.—Will that affect contracts already entered into?

Mr. HUGHES.—A contract could be properly entered into on the basis of the price to be hereafter decided upon by the Tribunal, but not until the Tribunal has fixed the price over and above the 17s. 9d.

CABLE RATES.

Mr. RICHARD FOSTER asked the Postmaster-General, *upon notice*—

1. Whether the Commonwealth Government agreed with the Eastern Extension Company some years ago whereby the tariff per word was to be automatically reduced as the revenue increased, which resulted in a gradual reduction to 3s. per word?

2. Is it a fact that the revenue now justifies, on the terms of the foregoing agreement, a reduction to 2s. 6d. per word?

3. If so, will the Government favour such reduction?

Mr. WISE.—The answers to the honorable member's questions are as follow:—

1. Yes.

2. A large proportion of the revenue from cable traffic during the last few years has been derived from cable messages arising out of the war. The question of reduction in rates has been under consideration, but it is not considered that such would be justified at present.

3. See answer to No. 2.

WAR-TIME PROFITS TAX.

Apportionment of Tax Between Imperial and Commonwealth Governments.

Mr. BRUCE asked the Treasurer, *upon notice*—

1. Whether, pursuant to the powers conferred upon him by section 9 of the War-time Profits Tax Assessment Act 1917, he has entered into an agreement with the Chancellor of the Imperial Exchequer for the apportionment between the Imperial and Commonwealth Governments of the war-time profits tax derived from war-time profits which are chargeable with war-time profits tax under the War-time Profits Tax Assessment Act 1917; and also chargeable in Great Britain with excess profits duty under any Act of the Imperial Parliament?

2. If such an agreement has been entered into, will the Treasurer have it laid upon the table of the House for the information of honorable members?

3. If such an agreement has not been entered into, what are the reasons which have prevented an agreement being arrived at?

4. In the absence of an agreement for the apportionment of the tax between the Imperial and Commonwealth Governments, what is the basis upon which the Commonwealth Treasury are charging war-time profits tax upon war-time profits chargeable with war-time profits tax, both in the Commonwealth and in Great Britain?

Sir JOSEPH COOK.—The answers to the honorable member's questions are as follow:—

1, 2, and 3. The Government are utilizing the services of the Secretary to the Treasury, who is at present in London, for conducting negotiations with the Imperial authorities for the settlement of this question.

4. Tax is being collected on that part of the excess profits which are taxable in Australia only. The collection of the tax on excess profits which are also taxable in Great Britain

is being deferred until the basis of the apportionment between the Imperial and Commonwealth Governments has been arrived at.

DEPORTATION OF ITALIAN RESERVISTS.

Dr. MALONEY (for Mr. BRENNAN) asked the Prime Minister, *upon notice*—

Will he make available for perusal by members the precise terms of the communications passing between the Government and the Secretary of State for the Colonies relating to the forcible repatriation of Italian reservists in the latter part of the year 1917 and for the early part of 1918?

Mr. HUGHES.—I would invite the attention of the honorable member to the lengthy reply given by me in regard to this matter, in answer to a question by the honorable member for Corio (Mr. Lister), on 1st July last. I have nothing to add to the statement I then made.

Dr. MALONEY (for Mr. BRENNAN) asked the Minister representing the Minister for Defence, *upon notice*—

With reference to a statement made by Senator Pearce in another place, on the 15th May, 1918 (*Hansard*, 4652), relating to certain Italians resident in Australia, by what means and in what terms was the request of the Italian Government conveyed to the Commonwealth Government or the Minister, or to any authorized representative of the Government or the Minister?

Sir GRANVILLE RYRIE.—As it has been found necessary to refer to Senator Pearce in this matter, a reply to the honorable member's question is held over until Senator Pearce's return to Melbourne, which will be in a few days.

NORTHERN TERRITORY.

REPORT ON HOTELS.

Mr. MATHEWS asked the Minister for Home and Territories, *upon notice*—

1. Have the Government appointed Mr. W. Anderson, with practically unlimited powers, to inspect and report on hotels in the Northern Territory?

2. Is Mr. Anderson agent for "D.C.L." whisky?

3. Is it a fact that Mr. Anderson was in the Territory previously and left it under peculiar circumstances?

Mr. LAIRD SMITH (for Mr. POYNTON).—The answers to the honorable member's questions are as follow:—

1. As the condition of the hotel business in the Northern Territory was far from satisfactory, the Minister appointed Mr. W. Anderson, who has had a very lengthy experience in the trade, to inspect the hotels, and make recommendations. Mr. Anderson has no power or authority except to inspect and report.

2. Not so far as the Minister is aware.

3. It is known that early this year Mr. Anderson was in Darwin for some months; but the Minister has heard of no circumstance connected with his visit which could be described as peculiar.

REVENUE FROM ALCOHOLIC STIMULANTS AND NARCOTICS.

Sir JOSEPH COOK.—In answering a question put by the honorable member for Melbourne (Dr. Maloney) on the 28th September, on the subject of the revenue collected in Victoria on narcotics and stimulants, I replied that, since the abolition of the bookkeeping provisions of the Constitution, State distinctions have disappeared from the Treasury accounts. That is quite true; but, before answering a question of that kind, I find that I should have consulted the Trade and Customs Department. I have since done so; and, although we do not keep the record in the accounts of the Treasury, I find that the Trade and Customs Department can supply the information, and I have received from the Minister for Trade and Customs a reply to the honorable member's question in the following terms:—

The total revenue derived from import and Excise duties collected on alcoholic stimulants and narcotics for the financial years 1918-1919 and 1919-1920, amounted to £2,461,698, and £2,916,766 respectively.

LOAN BILL.

Bill returned from the Senate without amendment.

SUGAR.

DISTRIBUTION IN VICTORIA.

Mr. GREENE.—On the 1st October the honorable member for Corio (Mr. Lister) asked me the following questions:—

1. Whether he can state what methods are adopted in the distribution of refined sugar to the trade in Victoria?

2. Are the deliveries in all cases made on a *pro ratâ* basis, based on the supply of the corresponding month of last year?

3. If so, what is the ratio for the months of August and September, 1920?

I am now in a position to furnish the honorable member with the following replies:—

1. The weekly output of refineries is allotted through the usual channels, which include all

the distributing merchants, and they, in turn, supply their customers. This is the only possible way of handling the business at the present time.

2. Yes, but as all deliveries this time last year were seriously affected by strikes, the 1918 figures for August and September were taken as a basis, being more favorable to traders. Commencing next week, the 1919 deliveries will be reverted to.

3. See reply to No. 2.

NAVIGATION BILL.

In Committee (Consideration resumed from 1st October, *vide* page 5274):

Mr. TUDOR (Yarra) [3.18].—When we adjourned on Friday afternoon we had dealt with a number of new clauses, and I expressed my intention to submit a new clause, which, I think, should appear in the Bill before us as 95A. I move—

That the following new clause be added:—

"80A. The principal Act is amended by the insertion of the following new clause:—

'95A. No Asiatic or other coloured labour shall be allowed to be employed on any vessel engaged in the coasting trade.'"

This is not aimed at any particular nation, but our seamen desire that such a provision should be inserted in the Bill. There is at present in Melbourne a vessel called the *Pukaki*. I have been supplied with the following particulars concerning this vessel:—

Steamer *Pukaki*, of Melbourne. Articles signed at Manila, Philippine Islands, 26th November, 1919. The sailors and firemen are all natives of the Philippine Islands.

The following is a comparison between the wages paid on the *Pukaki* and the wages paid on Australian steamers with white crews:—

Pukaki—

	Per Month. £	s.	d.
Boatswain	7	10	0
Sailors	4	10	0
Donkeyman	7	10	0
Firemen	5	0	0
Greasers	5	10	0
Trimmers	4	10	0

Australian steamer, white crew—

	Per Month. £	s.	d.
Boatswain	15	0	0
Sailors	14	0	0
Donkeyman	17	0	0
Firemen	16	0	0
Greasers	16	0	0
Trimmers	14	0	0

Hours of labour for sailors at sea on the *Pukaki*, 6 a.m. to 6 p.m. Meal hours not specified, and no overtime is payable to any of the Philippine crew. Australian white crews work only eight hours per day at sea or in port, and overtime is paid for all work over eight hours per day, except work necessary for the safety of the ship.

The *Pukaki* is now engaged in carrying coal between Newcastle, N.S.W., and Melbourne, and at the present time, 1st September, 1920, is discharging a cargo of coal at Melbourne, which was loaded at Newcastle. The method of engaging coloured crews on vessels like the *Pukaki* is as follows:—

A blank copy of British ship articles is sent from some port in Australia to Manila, or is procured locally in Manila from the British Consul, and the crew are signed on before the British Consul. They are then sent as passengers to Sydney or Melbourne, as the case may be, and put on board the ship whose articles they signed at Manila. The food and the accommodation supplied to those men is far below the standard of what the white Australian receives.

I do not think the seamen are asking too much when they urge that the hours of labour, rates of pay, and conditions generally existing on these vessels shall be similar to those in force on Australian ships. This vessel, the particulars concerning which I have just quoted, has never been to the Philippines. Those interested in securing crews for ships of this character bring the men down as passengers to one or other of the Australian east coast ports, and then place them on shipboard and trade with them as the crew, along our coastline, to the detriment of Australian shipping and seamen. The Australian ship-owner has to pay the wages, and comply generally with the conditions of employment required by our laws; and these other parties, who are doing exceedingly well out of sea transport in Australian waters to-day, should be made to work under the same set of conditions. There is already provision, where seamen are compelled to do what is known as shore labour, that if there is an award granting rates which are higher than the wages ordinarily paid to seamen or firemen on shipboard, those engaged on shore labour shall be paid the higher rates. The seamen are only asking that similar conditions shall hold, so far as the employment of persons from "outside" is concerned. In the matter of Japanese ships and seamen, I understand that the general conditions and rates of pay compare favorably with those applicable to the Australian coast trade. The clause is not aimed at Japan, but at any parties who have entered upon the practice of securing crews from foreign parts with the intention of employing them more cheaply than Australian crews.

Mr. GREENE.—The clause would apply to any vessel undertaking coastal trade from overseas.

Mr. TUDOR.—The Minister, no doubt, has in mind the case of Peninsular and Oriental and other vessels arriving at Fremantle, and then coming on to eastern ports. It is quite possible that the clause would affect such ships; but the object of the seamen is to prevent vessels from entering upon the Australian coastal trade in an illicit manner, and to stop the employment of coloured alien labour, seeing that it might reduce the Australian standard of employment.

Mr. MATHEWS (Melbourne Ports) [3.26].—It is a peculiarity of seamen, as I have pointed out previously, that they should claim the same conditions of living generally as are enjoyed by the ordinary man on shore. The latter is protected from the competition of coloured alien labour. Ours is a "white" country, and there is no longer need to argue that question; but it would require no great stretch of imagination to perceive that if the practice indicated by the honorable member for Yarra (Mr. Tudor) is allowed to continue, the Australian coastal trade in a short while would be done by alien crews. One can quite understand that Japanese might be willing to pay our rates of wages while working Japanese crews around our coasts; but would we care to see our trade taken over by Japanese ships manned by Japanese labour? Australian shipping companies will be placed in an awkward position if the present tendency expands; unless, of course, they make up their minds also to employ coloured alien crews. It might appeal to them, as a paying proposition, to grant Australian rates of wages while their ships are engaged around our coasts, and then, to give cheaper wages to the alien crews while outside of Australian waters. Apart from that point of view, the subject-matter of the proposed new clause must concern not only our seamen, but Australian ship-owners, and the public as well. We have been claiming for years that this is a white man's country. The claim requires no defence to-day; it is established beyond argument. But we are beginning to permit coloured alien labour to work around our coasts under certain conditions. Where will it end if we do not protect ourselves? There are Asiatic countries which, for the purpose of inserting the thin end of the wedge into "White" Australia, would not be above making insidious beginnings in this manner; but our seamen have their eyes open, and it is only natural that they should protest and take action. The honorable member for Yarra has quoted a glaring case, but the Minister (Mr. Greene) will probably remember that officials of the Seamen's Union called his attention to a practically similar set of circumstances in respect of another vessel. It is not possible for alien coloured labour to compete on shore. That being so, I press the claim of the seamen that they should be treated in the same way as the men who work on shore, in order to protect them from alien coloured labour to that extent.

Mr. GREENE (Richmond—Minister for Trade and Customs) [3.31].—This is an amendment which I very much regret that the Government are quite unable to accept. Whilst not abating in the slightest degree our adherence to the policy of the White Australia, I wish to give reasons why it is quite impossible for us to accept the amendment in the form in which it has been moved. It is proposed to insert it as a new clause in Part VI. of the Act, dealing with the coasting trade. One of the objects which that portion of the Act was devised to accomplish was the very question raised by the proposed amendment; that is, to prevent the employment of cheap labour in the coasting trade of Australia by the use of coloured crews in competition with white crews. That was the main object which we had in inserting the coasting trade provisions. It was not the only object, but it was the main one. Section 288 of the main Act provides—

> No ship shall engage in the coasting trade unless licensed to do so.
>
> Every licence shall be issued subject to compliance on the part of the ship, her master, owner, and agent, during such time as she is engaged in the coasting trade, with the following conditions:—
>
> (*a*) That the seamen employed on the ship shall be paid wages in accordance with this part of this Act.

The Act itself lays down the wages that the seamen shall be paid. If the Navigation Act had already been proclaimed, it would not be competent for the wages quoted by the Leader of the Opposition to be paid to anybody employed on our coast, because the ship would not be licensed unless the rates of wages laid

down in the Act were paid. The next condition is—

> That, in the case of a foreign ship, she shall be provided with the same number of officers and seamen, and with the same accommodation for them, as would be required if she were a British ship registered in Australia or engaged in the coasting trade.

Of course, the clause as drafted would apply equally to a ship registered in Australia, or a foreign-going vessel engaged in our coastal trade and complying with our conditions. The provisions I have quoted were specially inserted in the Navigation Act to enable us to deal with the very question raised by the amendment.

Dr. MALONEY.—The question of wages?

Mr. GREENE.—Well, we said that anybody engaging in our coasting trade must pay the wages laid down by the Act, provide the requisite number of men, and the accommodation, and furnish the same food, and comply with the conditions generally as applied to our own Australian seamen. It was recognised, at the time that these provisions were put in the Act, that it would not pay to employ Asiatic crews on those conditions.

Mr. WATKINS.—Are not the Japanese doing it now?

Mr. GREENE.—It may be; but if we attempt by any direct means in our legislation to draw the line on account of colour, and colour only, as this amendment attempts to do, we shall simply invite the shipwreck of the whole Bill. After all, we are part of an Empire, and I do not know of any question so delicate and difficult, from the Imperial point of view, as the colour question. The British Empire has many millions of coloured subjects; and honorable members have only to cast their memories back a very short distance to recall incidents in connexion with this very question which have been giving the British Government for some considerable time past the most serious concern. Let me remind honorable members of some of the occasions on which this question was raised, and the manner in which Imperial statesmen from time to time dealt with it. As far back as 1897, the Imperial Government felt called upon, by reason of certain trouble that had arisen between some of the Dominions and India, to place before a Conference of Colonial Premiers, as they were then, through the Secretary of State for the Colonies, the general principles which they desired to maintain in regard to the relations between Her Majesty's Indian subjects and the self-governing Dominions. In the course of his address, Mr. Chamberlain made the following remarks, which are as apt to-day as on the day he uttered them:—

> We quite sympathize with the determination of the white inhabitants of the Colonies who are in comparatively close proximity to millions and hundreds of millions of Asiatics, that there shall not be an influx of people alien in civilization, alien in religion, alien in customs; whose influx, moreover, would most seriously interfere with the legitimate rights of the existing labour population. An immigration of that kind must, I quite understand, in the interests of the Colonies, be prevented at all hazards, and we shall not offer any opposition to the proposals intended with that object.

I want honorable members to remark that statement distinctly. The Imperial Government were not offering any opposition to legislation intended with that object, but Mr. Chamberlain went on to say—

> But we ask you also to bear in mind the traditions of the Empire, which makes no distinction in favour of, or against, race and colour; and to exclude, by reason of their colour or by reason of their race, all Her Majesty's Indian subjects, or even all Asiatics, would be an act so offensive to those peoples that it would be most painful, I am quite certain, to Her Majesty to have to sanction it. The United Kingdom owns, as its brightest and greatest Dependency, that enormous Empire of India, with 300,000,000 subjects, who are as loyal to the Crown as you are yourselves, and among them there are hundreds and thousands of men who are every whit as civilized as we are ourselves; who are, if that is anything, better born, in the sense that they have older traditions and older families; who are men of wealth, men of culture, men of distinguished valour, men who have brought whole armies and placed them at the service of the Queen, and have in times of great difficulty and trouble, such, for instance, as on the occasion of the Indian Mutiny, saved the Empire by their loyalty. I say you, who have seen all this, cannot be willing to put upon these men a slight, which, I think, is absolutely unnecessary for your purpose, and which would be calculated to provoke ill-feeling, discontent, irritation, and would be most unpalatable to the feelings, not only of Her Majesty the Queen, but of all her people.

We have done a great deal in Australia to prevent the influx of an alien immigration, and the British Government have never objected to that. We have always

accomplished our end by indirect means, and we shall attain the result which the honorable member has in view, to a very large extent, at all events, by indirect means. The reason why coloured labour is still employed is that the Navigation Act has not been proclaimed; the moment it is proclaimed, the special conditions which the owners of those vessels will have to comply with will make it no longer profitable to employ Philippine crews. Owners will not pay such crews Australian rates of wages, and the answer to the honorable member's arguments are the figures he supplied to the Committee. If owners have to pay Australian rates of wages, give the accommodation set forth in the Navigation Act, and feed the crews in accordance with the scales laid down in the Bill, it will not pay them to employ the comparatively large number of coloured men in preference to white men. I presume that the only reason these coloured men are employed is that their employment pays the owners best.

There is, however, another reason, and, from the honorable member's point of view, a graver reason, why it is undesirable to accept the amendment. I feel confident that its inclusion in the Bill would simply result, as it has done before on several occasions in regard to Dominion legislation, in the refusal of the King's assent to the measure. I remind the honorable member that in 1906, I think, a Bill was passed by this Parliament granting preferential treatment to certain goods the product of the United Kingdom, but excluding from the benefits of the Bill goods carried in ships on which lascars were employed. That Bill was reserved for His Majesty's assent, and in the following year the matter was discussed at the Colonial Conference in London, when Mr. Asquith said—

> We should never, under any conceivable circumstances, accept here a preference granted to us only in respect of goods carried in ships in which the whole of our fellow-subjects in India were allowed to serve. We could not possibly accede to that, and everybody here would say we would rather have no preference at all than preference limited by such a condition as that.

The King's assent was never given to that Bill, which lapsed, though it was not nearly as drastic as the legislation now proposed.

Mr. TUDOR.—We have gone a long way forward since then.

Mr. GREENE.—That may be, but has the Imperial position changed since? The position is the same to-day as then; if anything, the difficulties and dangers are greater and graver. If this Parliament has any concern at all for its Imperial relations, it must take into consideration the position of the Imperial Government, and certainly we ought not to embarrass the Imperial Government in the way that legislation of the kind now suggested undoubtedly would. That is not the only occasion on which the Royal assent has been withheld. At the Navigation Conference on the subject with which we are now dealing, held in London in 1907, the question of excluding coloured labour from New Zealand or industrial ships was discussed on a motion proposed by Mr. Belcher, a New Zealand representative. The motion was as follows:—

> That this Conference is opposed to the employment of lascars, coolies, Chinamen, or persons of any other alien race on any vessel owned, registered, or chartered to trade in the Commonwealth or New Zealand.

The views of the British Government on that occasion were voiced by Mr. H. Bertram Cox, of the Colonial Office, and also by Mr. Lloyd George, the present Premier. Mr. Cox said:—

> As regards this question, everybody sympathizes with the wish of Australia and New Zealand for the employment of Australian and New Zealand seamen; there is no question about that. . . . But there is one thing that I should strongly object to on behalf of the Colonial Office, and that is exclusion on the ground of colour. . . .

That is exactly what the amendment before us proposes to do—

> There is no objection to the exclusion of coloured persons otherwise than on the ground of colour from the ships that are engaged in the coasting trade of the Commonwealth or New Zealand, or in any other conditions where the colonial regulations under the law apply.

That is to say, the Imperial authorities have no objection to our providing that every sailor on our coast shall be paid certain rates of wages, have certain space allotted to him, and shall be fed in a particular way, but they do object to the bar of colour.

Mr. MATHEWS.—Our objection is an economic one—not one on the ground of colour.

Mr. GREENE.—Exactly; but if we, by our legislation, secure an economic standard which practically bars the coloured races from competing, are we

not accomplishing our end just as effectively, and, at the same time, not in a way which not only embarrasses the British Government, but is highly objectionable to a great and powerful neighbour of ours, whose friendship, at all events, to a certain extent, is valuable? No one will say that we can afford to shake our fist in the face of Japan and China—those great countries with enormous potentialities—and go scot-free for ever. Just as we value those national demands which compel us to ask for conditions in this country which we believe to be right from our own stand-point, the people of those countries have their national feelings, and we cannot afford to ride roughshod over them in the manner proposed. Mr. Cox went on to say:—

> That is agreed. But His Majesty's Government are trustees for enormous numbers of coloured people, and the Colonial Office cannot agree to the exclusion of British subjects of any race only on the ground of colour.

Mr. Lloyd George, who was acting as chairman of the Conference, referred to the fact that the people of India are extremely sensitive on the question of colour. He said:—

> We are responsible for the government of 300,000,000 of those people, and therefore we could not possibly assent to the resolution proposed, and I ask the colonial representatives not to ask us to do so. . . . If it was proposed that no Hindoo should be employed in ships on the coasting trade, I do not suppose that we could possibly assent to a law expressly framed in that way, because it is a reflection upon millions of the King's subjects.

In deference to the wishes of the representatives of the Imperial Government, the resolution was withdrawn. I am giving the history of this matter in order to show honorable members that they will be absolutely imperilling the Bill itself by insisting upon the amendment which has been submitted. In 1910 the New Zealand Parliament passed a Bill providing for an increased stamp duty upon bills of lading and passenger tickets issued by ships trading from New Zealand to the Commonwealth, and which were manned wholly, or in part, by Asiatics. There, again, the direct colour line was drawn. That Bill was also reserved for the King's assent. In 1910 the matter was brought up by Sir Joseph Ward at the Imperial Conference in London, when the attitude of the British Government upon the matter was voiced by Lord Crewe, the Secretary of State for India, who, while admitting the right of the Dominions to exclude cheap, competitive labour, of whatever race or colour, made a strong appeal that there should be no bar imposed on coloured peoples, simply as such. He pointed out that, as regards India, any disabilities imposed upon Indians in any part of the British Empire was resented in India by all classes, creeds, and political schools, and that the fact of any such disability being imposed by any Dominion furnishes a powerful weapon to those in India who are opposed to British rule, and who are directing all their energies to secure the secession of India from the Empire. The King's assent to the New Zealand Bill was withheld, and the measure lapsed. There are thus three occasions upon which this question has arisen, and upon two of them—one in which direct legislation was passed by this Parliament, and another in which similar legislation was enacted by the New Zealand Parliament, the King's assent was refused. In the third case the expressions of opinion by the representatives of the Imperial Government were such that the Dominion representatives withdrew the resolution altogether. I have no desire to labour this question by dealing with it at greater length. I am perfectly satisfied from the experience of the past that, if this amendment be included in the Bill—the measure must in any circumstances be reserved for the King's assent—that assent will not be given. By inserting the amendment, therefore, honorable members will simply hang up the Bill for an indefinite period, and thus make it impossible for the Government to proceed with the early proclamation of the Act, thereby depriving our seamen of all the advantages which they will ultimately derive from its operation. In these circumstances I have no hesitation in asking honorable members to reject the proposal.

Dr. MALONEY (Melbourne) [3.55].—If the amendment submitted by the honorable member for Yarra (Mr. Tudor) be pressed to a division, I shall certainly vote for it, because I am anxious to maintain in its entirety our White Australia policy. At the same time, I do not wish a single word of mine to give offence to our Allies who helped to defend us. I recognise that, artistically, they are superior to any race in the world. An Eastern people have shown Australians, who are descendants of the British race, how laggard we are,

seeing that within the short space of my own life-time they have learned to build anything from a mere coasting schooner to an up-to-date *Dreadnought*. Theirs is an example which we may well follow. But for thirty years I have been returned to Parliament pledged to the policy which I am now advocating. Australians are the only race in the world which owns a continent. It is our duty to preserve that continent as a heritage for white men. Should it unfortunately happen that an Asiatic race must dominate Australia, I hope that it will be dominated by the Chinese. Let me briefly analyze the language used by the late Mr. Joseph Chamberlain in discussing the proposal to prohibit the introduction of coloured immigrants by drawing a direct colour line. Mr. Chamberlain was indeed a great man, especially from the standpoint of the facility with which he could turn his coat whenever it suited him to do so. He stated that there should be no restriction imposed upon race or colour, and that the natives of India are civilized and are our equals. As far as mere brain capacity is concerned, there is no race in the world which is equal to that of the Brahmins of India. Yet they were considered by Mr. Chamberlain as not fit to be endowed with the franchise. They are subjects of the King, but they have not citizenship rights. We are subjects of the King truly, but we are also citizens in that we have the right to vote for our parliamentary representatives. Until the recent war, Britain did not give her English, Scottish, Irish or Welsh inhabitants the right to vote because of their manhood alone. There was always a property qualification attached to the exercise of the franchise. Yet this great man, Mr. Chamberlain, who well earned the title of Judas on account of his treachery to the great Gladstone, says that the Indians are civilized. Of course they are, but not a single vote has been given to them. Even the majority of the British people themselves had no vote in Mr. Chamberlain's day. They were not allowed to exercise the franchise until the recent war had taught manners to the aristocrats of England. Mr. Asquith says that the Indians are our fellow subjects. I have a great admiration for Mr. Asquith's abilities, but he would be a much bigger man if he travelled the world, and realized that under the British flag a greater measure of freedom obtains everywhere else than obtains in the Homeland.

I am not criticising the attitude which has been adopted by the Minister for Trade and Customs (Mr. Greene). I recognise that he has delivered a great speech this afternoon—a speech which may possibly carry conviction to honorable members. But in the course of his remarks he stated that there has not been a great change in Imperial matters since 1897. I entirely dissent from that statement. Why, to-day women in England have votes. They may also qualify for the degree of M.D. at Cambridge, although they are not allowed to practise as doctors. In Great Britain the entire system of government has been turned upside down since 1897, and it is well that it has been. In my student days, in London, I can remember only three occasions upon which Chinese were seen in that city. Upon each occasion a crowd followed them down the streets, because they presented such a rare sight. In Australia, however, we may see any number of them. A very valuable report obtained by the late Mr. Charles Cameron Kingston shows the great disparity which existed between the number of Chinese who touched at Darwin on board vessels, and the number who were upon the same ships when the latter made their return voyage. In my student days I did not see a Lascar in London, but I met many Hindoos and Mahommedans, two of whom were beloved fellow-students of mine and remain my friends at the present time. They were equal in mental ability to any European, but were not thought fit to have a vote in their own country. Subjects, yes; but little better than slaves! One of them had graduated in the Middle Temple, and when, years afterwards, I saw him in Calcutta, knowing that he had been engaged to a relative of the Lord Chamberlain of England, I asked him, "How is your sweetheart?" he replied, "You had better say 'wife' now." I asked, "Is she here?" He rose, to his splendid 6 feet of height, and said, "Maloney, you do not think I would ask my wife to live in India?" I said, "Why not?" "I will tell you," he replied. "We are old friends, and you know how I am entitled in my own right to large revenues and a high position in this country; but I do not care to ask my wife to live in India because ladies who would willingly dance with me in London

pass me like dirt when they come out here married to some petty official. I could not allow my wife to be treated in that way. I am going to dear old England to live there." Here was an Indian gentleman, drawing large revenues, speaking of England as "dear old England," and going to live there because he could not live with his wife in India. The men of India may not be slaves, they may be subjects, but they are not citizens, because not one of the 350,000,000 inhabitants of that country possesses a vote. Yet we have the Asquiths and the Chamberlains of England speaking in the way I have indicated. Even Mr. Lloyd George says that India is very sensitive to colour. Another great gentleman—in his own opinion—an Anglo-Indian, said to me he wished another rebellion would take place in India so that he could make the people of Bombay walk in the road and not on the footpaths, which so many of them, as large property-owners in the city, are taxed to make and maintain. If these prominent English gentlemen to whom I have referred would only go to India, or come to Australia, or even go to California, where the racial fight is even more acute than it has ever been here, they would not refer so glibly to "fellow subjects." Yes, fellow subjects, but with no right of citizenship! As it is, I could well understand them refusing to pass this Bill if this proposed new clause was inserted in it, but with the future union of the British-speaking races—because I recognise that if we can only shake hands with the great Union that dominates the American continent we can hold and keep the peace we so desire—we shall be able to apply to our coastal trade whatever restrictions we choose to impose. If the King's assent is to be continually withheld from measures which voice Australia's needs, other representations must be made to His Majesty that may not be desirable to a small body of men in London, who, no matter how mentally gifted they may be, have never gone beyond the boundaries of the United Kingdom, except, perhaps, for a few excursions across the Channel to one or other of those charming European nationalities, so close at hand to them. If His Majesty would send out Commissioners to every corner of the Empire to gain wide experience on the spot, and learn the needs of the people, the advice they could give him would be much wiser than that which he now receives from the gentlemen whom I have mentioned. However, after the declaration of the Minister (Mr. Greene) it is hopeless to expect the Committee to agree to the proposed new clause. I quite recognise from the Minister's speech that any shipping company which takes advantage of our inter-State traffic must pay to its men the same rates of wages as are paid to white crews.

Mr. GREENE.—That is so. They must also provide them with the same accommodation and feed them in the same way.

Dr. MALONEY.—That being the case we have pretty well obtained all we desire to achieve by the proposed new clause. If the sugar-cane growers of Queensland had been obliged to pay to the kanakas the same wages as were paid to white men, and to work them for the same hours, and give them the same food, they would not have employed them. It was the cheapness of the black labour that caused the growers to import kanakas to work in their cane-fields, and to fight so hard to retain them. I shall vote for the proposed new clause if it is taken to a division, but I recognise that while we are portion of the Empire the Minister could hardly take up any other attitude.

Question—That the proposed new clause (Mr. TUDOR'S amendment) be added—put. The Committee divided.

Ayes	10
Noes	27
Majority	17

AYES.

Anstey, F.	Tudor, F. G.
Blakeley, A.	Watkins, D.
Charlton, M.	
Lazzarini, H. P.	*Tellers:*
McDonald, C.	Mathews, J.
Stewart, P. G.	Riley, E.

NOES.

Bamford, F. W.	Lamond, Hector
Best, Sir Robert	Lister, J. H.
Blundell, R. P.	Livingston, J.
Bruce, S. M.	Mackay, G. H.
Cook, Sir Joseph	Marks, W. M.
Corser, E. B. C.	Marr, C. W. C.
Fleming, W. M.	Maxwell, G. A.
Foster, Richard	Rodgers, A. S.
Greene, W. M.	Ryrie, Sir Granville
Gregory, H.	Smith, Laird
Groom, L. E.	Wise, G. H.
Higgs, W. G.	*Tellers:*
Hughes, W. M.	Burchell, R. J.
Jackson, D. S.	Story, W. H.

PAIRS.

Mahony, W. G.	Atkinson, L.
Lavelle, T. J.	Bayley, J. G.
Makin, N. J. O.	Bell, G. J.
Gabb, J. M.	Bowden, E. K.
Fenton, J. E.	Camerson, D. C.
West, J. E.	Chapman, Austin
Nicholls, S. R.	Hay, A.
McGrath, D. C.	Hill, W. C.
Moloney, Parker	McWilliams, W. J.
Catts, J. H.	Page, Dr. Earle
Ryan, T. J.	Poynton, A.
Cunningham, L. L.	Prowse, J. H.
Brennan, F.	Watt, W. A.
Considine, M. P.	Francis, F. H.
Maloney, Dr.	Jowett, E.
Wienholt, A.	Page, James

Question so resolved in the negative.

Proposed new clause negatived.

Mr. MATHEWS (Melbourne Ports) [4.14].—I move—

That the following new clause be added:—

"Schedule II. of the principal Act is amended by omitting from lines 2 and 3 of the paragraph headed 'Firemen and Trimmers' the words 'and a half'."

This will have the effect of reducing the amount of coal handled by a fireman or trimmer from 3½ tons to 3 tons per diem. This is a very controversial question, upon which the seamen's representatives endeavoured to come to some arrangement with the Minister, but without success. For a considerable time the seamen's representatives have been endeavouring to have the amount reduced. Some people believe, apparently, that all a fireman has to do is to shovel coal into the furnace and close the doors again, whereas the work has to be done in such a way as to prevent the fire from being smothered and to extract the greatest heat possible from the amount of coal consumed. The accessibility of bunkers to the furnaces is an important factor in determining the amount of coal which any fireman or trimmer can handle in a day. Very often in a new ship trouble is made because the firemen and trimmers cannot get the most satisfactory results from the furnaces. There is just as much skill in this work as in many other callings, and some firemen are highly skilled. As far back as 1911, when the Navigation Act was under consideration, Senator de Largie endeavoured to secure a reduction in the schedule, and the motion submitted by him would probably have been carried but for the promise of the Government to attend to certain matters. It is just as well that the claims of the men should be again placed on record—

The present schedule provides for 3½ tons per day per man, and we are of the opinion that the amount is too much. The Manning Committee of the British Board of Trade some years ago recommended that "3 tons of coal per man per day should be the allowance for this purpose in temperate climates, and 2½ tons in tropical waters." A great proportion of the Australian trade is confined to the tropics, but we are not asking for any distinction between tropics and the temperate zones, as far as the consumption of coal is concerned. But we do think that, when the Board of Trade Manning Committee recommends a less amount of coal per day in British ships than is provided for in the present schedule, the Australian fireman should not be put on a different and worse footing than his fellow fireman in a British ship.

Sir ROBERT BEST.—Whom are you quoting?

Mr. MATHEWS. — I am quoting statements made by the representatives of the seamen, based on the report of the Manning Committee of the British Board of Trade. Reference to pages 1017-1019 of *Hansard* of 1911 will show that the seamen unsuccessfully tried in that year to have the consumption of coal per man per day reduced to 3 tons, and the report of the Manning Committee of the British Board of Trade is also referred to in the same pages. But since that date the world has advanced considerably, and if at that time the proposition, although not accepted, was recognised as fair, surely, having regard to the improvement in the conditions of all workers during the last nine years, the firemen are now entitled to a little consideration.

Mr. RILEY.—Have the men to shift the specified quantity of coal in addition to the cleaning of the grates and all the other work?

Mr. MATHEWS.—Yes. The following is an extract from the British Board of Trade instructions in 1911 relating to the manning of emigrant ships—

The following scale has been prepared for the guidance of emigration officers with regard to the manning of the stoke-hold:—

> One fireman for every 18 square feet of fire-grate surface in the boilers. The number of firemen is found by dividing the total fire-grate surface of all the main boilers and the nearest whole number is the number required.

This rule is based on the assumption that an average of 16 lbs. of coal per hour will be consumed per square foot of grate surface. When,

however, the coal consumption exceeds 3 tons per day per man employed on the boilers, the number of these men must be correspondingly increased, and when the propelling machinery is duplicated, as in twin-screw steamers, the number of greasers must be doubled.

Under the foregoing scale, firemen on these emigrant ships handle far less than 3 tons of coal per man per day.

Mr. Riley.—And those conditions apply in a cold climate.

Mr. MATHEWS.—Yes. I shall quote now the scale of manning for Norwegian ships as fixed by a Royal Ordinance in 1918, and, surely, Australian firemen are not expecting too much when they ask to be placed on as good a footing as are the Norwegians—

> The number of firemen and coal-trimmers shall be determined in the following manner:—
>
> There shall be at least one fireman for each 3½ tons (in tropical waters 3 tons) of coal consumption per diem. . . . There shall, however, in all ships plying for more than sixteen hours or with a coal consumption of upwards of 7 tons per day be at least three firemen. For ships whose consumption of coal exceeds 8 tons, but not 18 tons a day, one coal-trimmer is required. If the consumption of coal exceeds 18 tons, one additional coal-trimmer is required, and so on, for each additional 10 tons. If in the computation of the number of the firemen and the coal-trimmers there comes out a fractional part of one half or upwards, the same shall be counted as a whole number.

Under the foregoing Norwegian scale a vessel consuming 42 tons of coal per day would be manned with twelve firemen and four trimmers while engaged in temperate climates, and in the tropics it would have to carry fourteen firemen and four trimmers, whilst an Australian vessel under the present scale would be compelled to carry only twelve firemen and trimmers combined, whether in the tropics or otherwise. Of course, those who are opposed to this claim maintain that the Norwegian Act is not as considerate to the seamen as is the Australian Navigation Act. The seamen themselves, however, declare that the conditions of the Norwegian firemen and trimmers are much better than are provided for in the Australian legislation. This question has been discussed with the Minister (Mr. Greene), who is disinclined to agree to the amendment. If the seamen were asking for conditions that did not obtain elsewhere we might expect a rebuff, but, having regard to the fact that in all countries greater consideration has been given to the firemen and trimmers, and that nine years ago this concession was nearly made by this Parliament, the conditions should be improved in conformity with the betterment of conditions that has taken place in every other calling. The Seamen's Union is of opinion that its members should not be called upon to work under conditions that are worse than those obtaining in other countries. We claim to have set up a standard for Australian seamen that is higher than the standards of other countries; the workers do not admit that claim, but this Parliament ought to take whatever steps are necessary to justify it.

Mr. GREENE (Richmond—Minister for Trade and Customs) [4.28].—I ask the Committee to reject the amendment. This is one of the questions which the representatives of the seamen discussed with me quite amicably. I decided that it was inadvisable to make the proposed amendment, but I left the seamen to take steps to test the feeling of Parliament in the matter. Of all questions which exercised the mind of the Committee which has investigated the whole subject of navigation, and upon whose report this Bill is largely based, that of stokehold management occupied more time and consideration than any other. The chief difficulty in the way of fixing a fair standard for work for firemen is complicated by the well-known fact that a great deal depends on the construction of the ship as to whether the task of handling three and a half tons of coal per man per day is too great or too small. In some ships the shifting of three and a half tons per day would be almost a herculean task, on other ships it would be very easy.

Mr. Mathews.—In no ship would it be an easy task.

Mr. GREENE.—In an average ship, a man enjoying his full health and strength and capable of doing a good day's work, would not have to exert himself very much to shift three and a half tons of coal per day. But in some circumstances the task would be too great. The Navigation Committee recognised that fact and made certain recommendations which have been embodied in the Act. The impression conveyed by the remarks of the honorable member for Melbourne Ports (Mr.

Mathews) was that the three and a half tons per day is a fixed quantity, from which it is impossible to depart. That is not so. If honorable members turn to Schedule II. in the principal Act, which it is now proposed to amend, it will be seen that—

> The number of firemen and trimmers required with steam-ships fired with coal shall be in the proportion of at least one fireman or trimmer for every 3½ tons of coal consumed per diem. Provided that in the case of any particular ship the Minister may, after reference to the Marine Council, specify a greater or less number of firemen and trimmers to be required. The amount of coal consumed per diem should be ascertained by such means as are prescribed.

Mr. TUDOR. — I think that the word "less" should come out of that.

Mr. GREENE.—That provision was inserted in the principal Act by the Government of which the honorable member was a member. That principle was decided upon because it was practically impossible to arrive at a standard which would be fair under all circumstances. The Minister has power to set up tribunals to decide the question with regard to any particular ship concerning which a complaint has been made with regard to the number of men in the stokehold. I believe the method will be found entirely satisfactory for dealing with the question. If we were to make it 3 tons as suggested it would be found that on some ships the quantity would be considered too large. I have been supplied with some particulars concerning fifty-seven ships now trading on the Australian coast which bears out what I have just stated. The figures relate to the vessels of the Adelaide Steam-ship Company, Australian Steamships Limited, Huddart, Parker Limited, Melbourne Steam-ship Company, James Patterson, and the Australian United Steam-ship Navigation Company Limited. There are seventeen handling under 3 tons, six handling over 3½ tons, nineteen handling under 3½, but not exceeding 3¼ tons, and fifteen handling over 3¼, but not exceeding 3½ tons. It will be seen, therefore, that of the total number of ships there are to-day only six exceeding the maximum set out in the Act. There are seventeen vessels which at the present time are handling less than the quantity the seamen ask to be included in the Act. There are two things happening to-day. The ship-owners are taking 3½ tons as if it were the law of the Medes and the Persians, and saying that they are not going to agree to any alterations, because there is power to make an alteration in the case of certain ships. On the other hand, the seamen are saying that they will not man the ships if the firemen are called upon to handle more than 3 tons.

Mr. MAXWELL.—Is there anything unusual in the construction of the six ships mentioned by the Minister?

Mr. GREENE.—I cannot say; but I believe the arrangements in the bunkers are such that the men can handle a greater quantity of coal with the same amount of labour and effort. Of course, this is a question which, when once the Act is proclaimed, can be dealt with by a tribunal. At the conferences I have had with the ship-owners and seamen I have offered to at once proceed with the appointment of a tribunal to deal with individual ships, and, although the decisions of a tribunal will not have the force of law, they should be just as effective if both parties agree to accept the terms decided upon. Up to the present, however, that offer has not been accepted, but I am making it again, and am giving a definite assurance to proceed at once to utilize the machinery which we have at our disposal for establishing a tribunal.

Mr. BURCHELL.—Who is objecting?

Mr. GREENE.—I believe both parties object, but at the moment I am not prepared to say definitely whether the ship-owners are opposed to the procedure I have outlined. At all events, I am making the offer again, because I feel sure that whatever standard were adopted we should have some measure of give and take, as it would be impracticable to have a binding scale for every type of ship. Until the measure has had a fair trial, I consider it undesirable to make any amendment in the direction indicated, because I think it will be found, in practice, that the procedure I have suggested will be the means of working equitably. I therefore ask the Committee to reject the amendment.

Mr. RILEY (South Sydney) [4.36].—This is an instance where I think the Minister for Trade and Customs (Mr. Greene) should yield to the demands of the men, as they have for a considerable

time been handling 3½ tons. The honorable member for Melbourne Ports (Mr. Mathews) quoted the practice in other countries, and showed that on some vessels of other nationalities a much smaller quantity is handled. The firemen and trimmers have exceptionally hard work to perform under trying circumstances, and, in addition to handling coal, the firemen have to keep up steam. The Minister has suggested that there should be some give and take, and it appears to me that the shipowners do all the taking.

Mr. GREENE.—The honorable member must admit that on some vessels they are not handling the quantity mentioned in the amendment.

Mr. RILEY.—I am coming to that. Does the Minister suggest that there are only six or seven ships on which the firemen handle 3½ tons?

Mr. GREENE.—More than that. There are only six on which the firemen handle over 3½ tons.

Mr. RILEY.—Has the Minister the figures showing the number of ships on which the men handle 3 tons?

Mr. GREENE.—The figures are: Under 3 tons, 17; over 3½ tons, 6; under 3½ tons, but not exceeding 3¼ tons, 19; over 3¼ tons, but not exceeding 3½ tons, 15. The proposal, therefore, would affect, altogether, 40 ships out of a total of 57.

Mr. RILEY.—Even if the proposal did affect that number that is no reason why it should be rejected. I understand that quite a number of ships have been tied up because there has been a dispute as to the quantity of coal to be handled. The number of ships on which the men are called upon to handle a lesser quantity is certainly small, and it is quite possible that they may be inconvenient to work. It is more than likely that the men who are handling the smaller quantity are working harder than those who are handling a larger tonnage. I have seen men emerging from the stokehold tired and pale-faced, and in some instances almost human wrecks. Seeing that it is a most undesirable and arduous occupation, I think the Minister would be justified in acceding to the demands of the men. What is the position when a vote is taken on such an amendment as this? The division bells ring, and honorable members supporting the Government enter the chamber and occupy the same side as Ministers. They have not heard the arguments on which the division is being taken.

Mr. MAXWELL.—That applies to both parties.

Mr. RILEY.—I know it does, and, unfortunately for the seamen, we are in a minority. Had the Labour party been in power I am sure we would have granted the seamen's request in this instance, because all over the civilized world labour conditions have been considerably improved during recent years. During the war period, firemen, in particular, were subjected to all kinds of dangers from submarines, and there was never an instance where they left their work. They stuck to their job. They ran the blockade and carried our troops. Now that the war is over all that they ask is that they shall be brought into line in this respect with their fellow firemen in other parts. They say that this amendment is vital to industrial peace, so far as seafaring men are concerned, and, therefore, of the utmost importance to the commerce of the country, yet the Minister will not agree to it. The shipowners would not be seriously affected by it. Firemen are not the white slaves that they used to be, and I regret that the Minister has not seen fit to concede this request on the part of the union. I hope that Ministerial supporters will show that they have some humane feeling by voting for the proposed new clause.

Mr. MATHEWS (Melbourne Ports) [4.41].—The Minister (Mr. Greene), in dealing with my proposed new clause, laid stress on the point that it was not so much the weight of coal as the question of the accessibility of the bunkers that had to be considered. The quantity of coal which the men have to handle is, in my opinion, the all-important consideration. I wish to emphasize that point. I do not know whether many honorable members have had much experience of the handling of coal, but I have read some sensational statements as to the heavy work done by firemen on American ships. This matter was threshed out by Congress. The Americans have the reputation of being great "hustlers," and Congress has found it necessary to ameliorate very considerably the conditions of firemen. As the result of careful investigation it took action in that direction. Honorable members have not had an opportunity to inquire into this question, and many are prepared to leave it to the judgment of

practical men, who guide the Government in regard to these questions. I have nothing to say of those experts except that they are not at present working as firemen, and apparently are unable to appreciate the average fireman's point of view. I repeat that the weight of coal handled per day governs the situation more largely than does anything else, and I hope that honorable members in coming to a decision on this question will not be influenced by what has been said by the Minister as to the accessibility or otherwise of the coal bunkers.

Question—That the proposed new clause (Mr. MATHEWS' amendment) be added—put. The Committee divided.

Ayes	14
Noes	22
Majority	8

AYES.

Blakeley, A.	Page, James
Blundell, R. P.	Stewart, P. G.
Charlton, M.	Tudor, F. G.
Gibson, W. G.	Watkins, D.
Hill, W. C.	
Lazzarini, H. P.	*Tellers:*
Maxwell, G. A.	Mathews, J.
McDonald, C.	Riley, E.

NOES.

Bamford, F. W.	Livingston, J.
Best, Sir Robert	Mackay, G. H.
Bruce, S. M.	Marks, W. M.
Cook, Sir Joseph	Marr, C. W. C.
Corser, E. B. C.	Rodgers, A. S.
Fleming, W. M.	Ryrie, Sir Granville
Foster, Richard	Smith, Laird
Greene, W. M.	Wise, G. H.
Groom, L. E.	
Higgs, W. G.	*Tellers:*
Hughes, W. M.	Burchell, R. J.
Jackson, D. S.	Story, W. H.

PAIRS.

Anstey, F.	Watt, W. A.
Brennan, F.	Atkinson, L.
Catts, J. H.	Bayley, J. G.
Considine, M. P.	Bell, G. J.
Cunningham, L. L.	Bowden, E. K.
Fenton, J. E.	Cameron, D. C.
Gabb, J. M.	Chapman, Austin
Lavelle, T. J.	Lister, J. H.
Mahon, H.	Fowler, J. M.
Mahony, W. G.	Francis, F. H.
Makin, N. J. O.	Lamond, Hector
Maloney, Dr.	Jowett, E.
McGrath, D. C.	Prowse, J. H.
Moloney, Parker	Poynton, A.
Nicholls, S. R.	Page, Dr. Earle
Ryan, T. J.	McWilliams, W. J.
West, J. E.	Wienholt, A.

Question so resolved in the negative.

Proposed new clause negatived.

Mr. Mathews.

Title agreed to.

Bill reported with amendments.

Motion (by Mr. GREENE) proposed—

That the Bill be recommitted for the reconsideration of clauses 8, 10, 23, 34, 35, and 64.

Mr. WATKINS (Newcastle) [4.50].—I move—

That clause 13 be added.

I desire that this clause be recommitted for the reason that, when it was under consideration, I do not think the Committee fully appreciated its serious import. It provides for the amendment of section 39 of the principal Act by the insertion of several new sub-sections, one of which reads—

No seaman shall be rated as "shipwright" or "ship's carpenter" who has not served an apprenticeship as shipwright, or three years at sea as ship's carpenter, as the case may be.

In the event of the clause being recommitted, I shall move for the omission of the words "or three years at sea as ship's carpenter, as the case may be." If those words be retained, it will be possible for any man who has served three years at sea to be classed as a ship's carpenter.

Mr. GREENE.—In what connexion?

Mr. WATKINS.—Who is to determine whether or not a man who has been at sea for three years is a qualified ship's carpenter? It is admitted that one of the most important men on board a ship is the ship's carpenter, who is called upon in case of accident to effect repairs.

Mr. MAXWELL.—The man who is known as "Chips."

Mr. WATKINS.—Yes, and he has too often been rated as chips. It was fortunate there was on board the *John Murray*, when that vessel was wrecked, a qualified ship's carpenter, who was able to repair the boats, and so enabled the crew to be saved. The position would be serious if, in the event of an accident to a ship, there was not on board a shipwright who could repair a boat, or make a raft, or who did not know the vessel from stem to stern. I do not object to the further provision in the clause that persons rated as shipwrights or ships' carpenters "before the commencement of this division, shall continue to be entitled to be so rated." That provision is in keeping with a section in the Coal Mines Regulation Act under which certificates were issued to men who, at the time of the passing of the Act, were at work in

the mines, so that they might continue in their employment. I do not wish to impose any hardship on those now employed as shipwrights or ships' carpenters, but we should enact that, after the coming into operation of this Act, no seaman shall be rated as a shipwright or ship's carpenter who has not served an apprenticeship as a shipwright.

Mr. Greene.—Then the honorable member desires that every ship's carpenter shall be a shipwright?

Mr. WATKINS.—In what respect do the two callings differ?

Mr. Greene.—They are two different trades.

Mr. WATKINS.—I hope the Minister will agree to recommit the clause.

Mr. GREENE (Richmond—Minister for Trade and Customs) [4.56].—The question, which the honorable member's amendment involves, has been threshed out time after time in this House. It really arises from a squabble between the Shipwrights Union and the Ships' Carpenters Union. The Shipwrights belong to the Shipwrights Union, and the Ships' Carpenters to the Amalgamated Society of Carpenters and Joiners. The shipwrights have tried by one means and another to prevent ships' carpenters being employed on our coast.

Mr. Maxwell.—What is the difference between them?

Mr. GREENE.—There is a difference. The shipwright, I understand, is a man who has served an apprenticeship in the actual building of steel ships. The ship's carpenter is gradually passing away, as steel ships are entirely replacing the wooden ships. Nevertheless, quite a number of men employed on our coast have served their time as ships' carpenters, and they are ships' carpenters.

Mr. Watkins.—The clause does not refer only to them, but to any one who may be employed in that position.

Mr. GREENE.—When the Bill was previously under consideration, the Committee was divided on an amendment submitted by the honorable member for Yarra (Mr. Tudor) dealing with this matter, and the amendment was negatived by a vote of 30 to 9. I cannot see any object in again threshing the subject out, with probably the same result. In the circumstances, I must oppose the amendment.

Mr. CHARLTON (Hunter) [4.58].—Since we dealt with this matter on a previous occasion, a deputation of shipwrights waited upon the honorable member for Newcastle (Mr. Watkins) and myself in connexion with it. They pointed out that what they desired is that in future only men who have qualified as shipwrights shall be appointed to the position of ship's carpenter. They have no desire to secure the discharge of men now engaged as ships' carpenters, but simply that qualified men only shall be engaged in this position in the future. The honorable member for Newcastle desires to have struck out the words "or three years at sea as a ship's carpenter as the case may be," which appear to us to mean that any man who has been at sea as a ship's carpenter may, in future be appointed to this position.

Mr. Watkins.—For all time.

Mr. CHARLTON.—The shipwrights contend that that is wrong, and that no man should be appointed to the position who is not a skilled man.

Mr. Greene.—Under this Bill, in future no man can be rated as a ship's carpenter if he has not, prior to the proclamation of the Act, served for three years as a ship's carpenter. No new man, the honorable member will see, can be so rated. This provision is giving the whole business to the shipwrights in future.

Mr. Watkins.—Not if an amateur may be employed.

Mr. Greene.—That cannot be. Under the Bill as it stands, a shipwright can be rated in this position so long as he produces his indentures, but a ship's carpenter cannot be so rated unless he has served three years as a ship's carpenter before the proclamation of the Act.

Mr. CHARLTON.—The shipwrights object to that. They say that a man who has had three years' service on a ship is not necessarily a qualified man. He is, in their opinion, in the same position as an improver or rough and ready carpenter compared with a man who has served his time as a carpenter.

Mr. Greene.—What the shipwrights have been trying to do all along is to throw the ships' carpenters out of their

jobs, and the Government will not consent to do that.

Mr. CHARLTON.—The Minister referred to a division of 30 to 9 upon an amendment submitted by the honorable member for Yarra (Mr. Tudor). The vote was in favour of retaining sub-clause 7, which reads—

> Notwithstanding anything contained in this section, persons rated as greasers, firemen, shipwrights, or ships' carpenters before the commencement of this Division shall continue to be entitled to be so rated.

I believe that I voted against my leader on that occasion, because I considered that those now in employment as ships' carpenters should be allowed to retain their positions. I wish to prevent the employment of unqualified men in the future.

Mr. GREENE.—I assure the honorable member that under the Bill as it stands no man can in future be signed on as a ship's carpenter in Australia unless before the Act comes into force he has served for three years as a ship's carpenter.

Mr. CHARLTON.—Then if after the Act comes into force a man has not served three years on a boat as a ship's carpenter, he will not be eligible to be appointed to that position?

Mr. GREENE.—He cannot be rated as a ship's carpenter.

Mr. CHARLTON.—He cannot be taken on as ship's carpenter?

Mr. GREENE.—No.

Mr. CHARLTON.—I see the position which the Minister puts, but I draw a different conclusion from my reading of the provision. It seems to me that under the clause as it stands any man who has been employed on a ship for three years will be eligible for appointment as a ship's carpenter.

Mr. MAXWELL.—No. He must have served for three years as a ship's carpenter.

Mr. GREENE.—He must have been three years rated as ship's carpenter before the proclamation of the Act.

Mr. CHARLTON.—Who rates him?

Mr. GREENE.—The superintendent; and in future he cannot rate a man as ship's carpenter unless he has had three years' previous rating in that position.

Mr. CHARLTON.—Will the Minister say that if the captain of a ship employs a man for three years on board a ship he will not be eligible for employment as a ship's carpenter under this provision?

Mr. GREENE.—What I say is that unless a man has had three years' service as ship's carpenter he cannot be signed on in future as a ship's carpenter.

Mr. CHARLTON.—I quite understand that.

Mr. GREENE.—If a man has served for only two years as a ship's carpenter when the Act is proclaimed, the superintendent who has to determine the ratings of men will be unable to sign him on in that position. So that such a man can never secure the three years' service which would entitle him to that rating.

Mr. CHARLTON.—I am doubtful whether the clause bears the construction which the Minister puts upon it. Do I understand the Minister to say that if a man has not served for three years as a ship's carpenter he cannot, after the passing of the Act, be appointed to that position at any time?

Mr. GREENE.—I say in regard to all Australian men, that unless a man has for three years served and been rated as a ship's carpenter before the proclamation of the Act, it will be quite impossible for him in future to be rated as a ship's carpenter.

Mr. CHARLTON.—If that is so, that will satisfy me.

Mr. TUDOR (Yarra) [5.5.]—I regret that the Minister will not agree to the recommittal of clause 13, so that we may properly discuss the question with which it deals. When the clause was originally before the Committee some weeks ago, I moved the omission of sub-clause 7, which reads—

> Notwithstanding anything contained in this section, persons rated as greasers, firemen, shipwrights, or ships' carpenters before the commencement of this Division shall continue to be entitled to be so rated.

A man might have been doing that particular class of work for only three months, yet he could be rated as a ship's carpenter, provided that the organizations concerned did not object.

Mr. GREENE.—The proviso in sub-clause 7 applies to the existing conditions.

Mr. TUDOR.—I am aware of that.

Mr. SPEAKER.—Order! This discussion is really out of order.

Mr. TUDOR.—I am giving the reasons why clause 13 should be considered on recommittal, in order that we may have

an opportunity to secure the employment in this position of only skilled men. If there is a man on board a ship who should be a skilled man it is the ship's carpenter. You, Mr. Speaker, and the honorable member for Wimmera (Mr. Stewart), who have had sea-faring experience, will know that in time of danger the man who is looked to is the ship's carpenter. If boats are stove in, the only man who can repair them is the ship's carpenter, and if he be a shipwright he will have had the better experience. I think that the Minister should give us an opportunity to reconsider the clause, so that we might set forth the reasons for the amendment it is desired to move in it.

Amendment negatived.

Original question resolved in the affirmative.

In Committee (Recommittal):

Clause 8—

Section (6) of the principal Act is amended.

. . . . .

Mr. GREENE (Richmond—Minister for Trade and Customs) [5.8].—I move—

That after the word "amended" the following words be inserted:—

"(*aa*) by omitting from the definition of 'limited coast-trade ship' the words '(not exceeding a radius of four hundred miles)' and inserting in their stead the words '(not exceeding the limits for home-trade or coast-trade ships, as the case may be, fixed for the port, at the commencement of this section, by any State law)';

"(*ab*) by adding at the end of the definition of 'River and bay ship' the words 'and also includes any ship or class of ships, specified by the Minister, by notice in the *Gazette*, which trades exclusively within the limits of a specified port, bay, or river, and within a radius of three nautical miles seaward from the entrance of the port, bay, or river:'; ".

Mr. CHARLTON (Hunter) [5.9].—I should like to know whether this amendment will apply to small boats running on the rivers, and not ordinarily used in carrying passengers. On the rivers in New South Wales there are many small boats engaged in carrying butter and other produce, but on holidays they are sometimes engaged by people for picnics. If boats of this character are to come under the Act their owners will be put to considerable expense to comply, for example, with the necessity for providing lifebelts for each passenger. If such a vessel could carry 200 passengers it would not be worth the while of the parties interested to equip her with 200 lifebelts for the purposes of conducting some two or three trips in a year; and, really, there is no considerable factor of danger, as the rivers in which the boats ply are often so narrow that one can practically leap from the deck to the land.

Mr. GREENE (Richmond—Minister for Trade and Customs) [5.12].—This provision will not alter the law in so far as it applies to river and bay ships, except that it will enable the Minister to meet special cases where it is necessary for a vessel, to which the provisions of the Act relating to river and bay ships apply, to proceed to sea for various purposes. There are, for example, dredges which take silt out of harbors. These belong to the river and bay class of ship, within the meaning of the Act, and they are not required to comply with the various conditions attaching to ocean-going vessels. The moment they go "outside," however, under the Act, as it stands, they cease to be river and bay ships. The object of the amendment is to enable the Minister to permit such craft, although river and bay ships, to proceed to sea for 3 nautical miles without being compelled to comply with the special conditions such as must be observed by ships proceeding to sea in the ordinary way. Of course, vessels which do not go "outside" at all will not be in any way affected.

Mr. CHARLTON.—I am satisfied with the assurance.

Mr. TUDOR (Yarra) [5.15].—I take it that the officials of the Department would always be careful, before granting permission in such circumstances as the Minister has indicated, to see that proper facilities were provided on board the ship. I hold that all vessels, no matter of what class, should be equipped with efficient life-saving apparatus. That applies not only to craft of the kind indicated by the honorable member for Hunter (Mr. Charlton)—seeing that disastrous collisions may occur in narrow waterways—but official authority should extend also to river craft, such as one sees at Henley-on-Yarra. Scores of people are crowded dangerously upon a fancily-decked boat the decorations of which are such that the passengers are practically caged in. Far more adequate provisions for safeguarding life should be insisted upon.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 10 (Certificates of competency).

Mr. GREENE (Richmond—Minister for Trade and Customs) [5.17].—Clause 10, which deals with certificates of competency, reads—

Section 15 of the principal Act is amended by inserting after the word "corresponding" (wherever occurring) the words "or any lower".

I move—

That after the word "amended", the following words be inserted:—

"—(*a*) by inserting after the words 'second class' (first occurring) the words 'First class motor engineer Second class motor engineer'; and

(*b*) ".

This amendment has become necessary through the introduction of the Diesel engine, and it is intended simply to make provision for the rating of first and second class motor engineers.

Amendment agreed to.

Clause, as amended, agreed to.

Amendment (by Mr. GREENE) agreed to—

That clause 23 be left out and the following clause inserted in lieu thereof:—

"23. Section eighty-eight of the principal Act is repealed and the following section inserted in its stead:—

'88. (1) If any seaman, employed on a ship registered in Australia, is discharged—

(*a*) elsewhere than at the port of discharge specified in his agreement;

(*b*) otherwise than in accordance with the terms of his agreement or the provisions of this Act;

(*c*) without fault on his part justifying his discharge; and

(*d*) without his consent,

the provisions of sub-sections (5) and (6) of section fifty of this Act shall apply as if the seaman had been discharged in pursuance of sub-section (3) of that section.'"

Clause 34 (Accommodation for seamen and apprentices).

Mr. GREENE (Richmond—Minister for Trade and Customs) [5.20].—I move—

That clause 34 be left out and the following clause inserted in lieu thereof:—

"34. Section one hundred and thirty-six of the principal Act is amended—

(*a*) by inserting after paragraph (*c*) of sub-section (1) the following paragraph:—

'(*cc*) if such is required by the medical inspector, regard being had to the construction and situation of the berthing accommodation provided and to the trade in which the ship is employed or likely to be employed, such means of artificial heating and mechanical ventilation as are, in his opinion, necessary for the preservation of the health and comfort of the crew;'

(*b*) by omitting from paragraph (*f*) of sub-section (1) the words 'three thousand cubic feet', and inserting in their stead the words 'the prescribed quantity';

(*c*) by inserting in sub-section (3) after the word 'bathrooms', the words 'and facilities for washing clothes';

(*d*) by inserting in sub-section (3) after the word 'water', the words 'as prescribed';

(*e*) by omitting from sub-section (3) the words 'employed in connexion with the engines of the ship';

(*f*) by inserting in sub-section (4), after the words 'shall not apply to', the words 'limited coast-trade ships of less than three hundred tons gross registered tonnage or'; and

(*g*) by inserting at the end of sub-section (5) the following words:—

'and the seaman or apprentice may recover any amount due under this sub-section in the same manner as if that amount were wages.'"

This clause is introduced, following upon consultation between myself and the seamen themselves; and I think it will generally meet with the approval of all parties concerned.

Amendment agreed to.

Clause 35 verbally amended, and agreed to.

Clause 64 (Watertight partitions, fireproof bulkheads, and double bottoms).

Mr. GREENE (Richmond—Minister for Trade and Customs) [5.23].—Clause 64 repeals section 206 and inserts a new section having to do with watertight partitions and the like. The various classes of vessels embraced within the scope of the section are set forth, and sub-section *c* states—

Every steam-ship . . . whether British or foreign, carrying more than twelve passengers, which proceeds from a port in Australia to a port outside Australia, shall, in the prescribed manner, be subdivided into watertight compartments and fitted with fireproof bulkheads and with a double bottom.

The master and owner of any such ship which goes to sea without compliance with this section shall be guilty of an offence.

I move—

That after the word "Australia", first occurring, the following words be added:—

", or which comes into a port in Australia from a port outside Australia,".

And that, after the word "sea" the following words be added:—

", or, in the case of a vessel carrying more than twelve passengers, which comes into a port in Australia from a port outside Australia,".

Amendment agreed to.

Clause, as amended, agreed to.

Bill reported with further amendments; Standing Orders suspended and reports adopted.

Bill read a third time.

PUBLIC SERVICE BILL.

Second Reading.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [5.26].—I move—

That this Bill be now read a second time.

There are four measures in connexion with the Public Service with which this Parliament may have to deal. The first, which deals with Public Service arbitration, has already been passed, and is now on the statute-book. The next is the Bill, now before this House, dealing with the management of the Service. The third will be a general amending Bill, which is now being prepared for submission to the House, and which deals with the whole of the existing Act, and proposed amendments to it. The fourth, which we trust will be introduced at no distant date, will deal with superannuation in the Public Service. The Bill, now before the House, relates only to the proposed Board of Management, and is in some measure the outcome of the work done by the Royal Commission recently appointed to report upon the public expenditure of the Commonwealth with a view to effecting economies. Practically only one principle, the substitution of a Board of Management consisting of three persons for the existing Public Service Commissioner, is involved in this Bill. The Board will consist of a Chairman and two other members. One will be appointed for five years, another for four years, and another for three, so far as the first three members are concerned. After that, the proposal is to give each member a definite term not exceeding five years. The idea of rotation is introduced in order to secure continuity in the policy and administration of the Board.

Mr. Riley.—Is the Chairman to be appointed for five years?

Mr. GROOM.—Presumably that will be so. No salary is set out in the Bill, because it originated with the Senate. The salary will be introduced in this House by amendments recommended by an appropriating message. The proposal is to give a salary of £2,000 a year to the Chairman, and £1,500 a year to each of the other members. The Chairman's salary will harmonize with that fixed for the Public Service Arbitrator. These two offices will be put, as regards salary, on terms of equality. The members of the Board are to have an assured position, because they will be removable only by joint resolution of both Houses. The Bill does not purport to amend in any way the general provisions of the Public Service Act. We can consider the proposed Board of Management in relation to the powers that now exist under the Act. If the Board is appointed, it will fulfil all those functions with respect to grading, classification, promotion, transfer, and so forth that are now performed by the Public Service Commissioner, but in addition the Board is to be given very important duties which are the direct result of the recommendations of the Economies Commission. Clause 11 defines the added duties to be imposed upon the Board. The clause provides—

In addition to such duties as are elsewhere in this Act imposed on it, the Board shall have the following duties:—

(*a*) To devise means for effecting economies and promoting efficiency in the management and working of Departments.

Then various ways are set out, by which the Board is to effect economies and improve the management of the Service, as follows:—

(i) improved organization and procedure;
(ii) closer supervision;
(iii) the simplification of the work of each Department, and the abolition of unnecessary work;
(iv) the co-ordination of the work of the various Departments;
(v) the limitation of the staffs of the various Departments to actual requirements, and the utilization of those staffs to the best advantage;

(vi) the improvement of the training of officers;

(vii) the avoidance of unnecessary expenditure;

(viii) the advising upon systems and methods adopted in regard to contracts and for obtaining supplies, and upon contracts referred to the Board by a Minister; and

(ix) the establishment of systems of check in order to ascertain whether the return for expenditure is adequate;

These are all duties of a new character, and additional to those contained in the Act. They set out the principles of management for the Service, and, particularly in paragraph (viii), create new and important functions. The idea is that, in addition to supervising the whole Service, as regards the fixing of salaries, classification, grading, promotion, and transfer, the Board will have a wider scope enabling it to look into the management of the Service as a whole, and, in particular, to advise, from a business stand-point, upon new contracts, and upon contracts that are being carried out. It will keep a better supervision over expenditure, and devise a system of checking in order to see that value is obtained for money spent. It is further provided that the duties of the Board will be—

(*b*) to submit to the Governor-General reports as to any matters requiring to be dealt with by the Governor-General under this Act, or referred to it by the Governor-General:

(*c*) to examine the business of each Department and ascertain whether any inefficiency or lack of economy exists;

(*d*) to exercise a critical oversight of the activities, and the methods of conducting the business, of each Department;

(*e*) to maintain a comprehensive and continuous system of measuring and checking the economical and efficient working of each Department, and to institute standard practice and uniform instructions for carrying out recurring work;

The Board is to submit to Parliament an annual report upon the working of the Act. This report should be helpful to the House, and keep honorable members continually informed as to the administration of the Departments and the methods on which they are working. The Board is also to be given such other duties in relation to the Public Service as are prescribed. When this Business Board has arrived at a decision upon any of the matters above enumerated, the question will arise as to how that decision is to be carried out. The Bill provides that in the first place the Board must make its recommendation report or suggestion to the permanent head of the Department concerned. It will be for him then to consider its application to the Department of which he is head.

Mr. Richard Foster.—That is just where you get into the weak points.

Mr. GROOM.—No, it is just where we get into a strong position. If the permanent head decides to carry out the recommendation of the Board, the Board, with its right of entry into any Department to see that effect is being given to its wishes, will be able to supervise the carrying out of that recommendation. If the permanent head does not approve of or adopt the recommendation, he must within a reasonable time inform the Board of his reasons. Thereupon the Board may, if it thinks fit, make its recommendation report or suggestion to the Minister administering the Department. If the Minister does not approve of or adopt it, within a reasonable time, then the Board may report the matter to both Houses of Parliament.

Mr. Riley.—That is a long way round.

Mr. GROOM.—No.

Mr. Richard Foster.—Managers without authority!

Mr. GROOM.—No; the general scheme of the Board is in accordance with the recommendations of the Economies Commission. Ministerial responsibility is not to be taken away.

Mr. Richard Foster.—I am referring to the head of the Department, not the Minister.

Mr. GROOM.—The head of the Department cannot block the recommendation of the Board. Parliamentary control must be preserved in all our legislation. In this case the Board of Management is given full powers of inquiry, investigation, and report, and effective means are provided by which, if its report is not carried out, it can report directly to Parliament.

Mr. Richard Foster.—Was the reference to the head of the Department one of the proposals of the Economies Commission?

Mr. GROOM.—I think that it meets with their approval.

Mr. Riley.—If the head of the Department refuses to carry out the report, has the Board power to suspend him?

Mr. GROOM.—Of course not; nor should it have. These, however, are all matters which can be discussed in detail later on, when I think I shall be able to satisfy honorable members that this is a correct and effective way of carrying out the report.

Mr. James Page.—A Board without power!

Mr. GROOM.—No, it is not. I ask honorable members to allow me to explain the Bill.

Mr. James Page.—You are making a very poor attempt at it.

Mr. GROOM.—Because the honorable member is jumping to conclusions without having read a single line of the Bill, or having the patience to listen while it is explained to him. I venture to predict that before we have finished dealing with it the honorable member will be the strongest supporter of the Bill. It is provided, absolutely and completely, that none of the suggestions or recommendations of the Board can be "shunted." If neither the Minister nor the head of the Department approves, Parliament must be made acquainted with the fact. Honorable members will admit that in order to preserve Ministerial control, the ultimate responsibility for every Department must rest with the Minister who has to answer for it, and the machinery of the Bill is designed to provide the procedure and attain the result I have indicated. The question may be raised as to whether the controlling authority should consist of one person or three persons. Different practices prevail in different places. In New South Wales there is a Board of three, in Queensland the work is done by a committee of the Cabinet, and in Victoria, South Australia, and Western Australia there is one Commissioner, while in New Zealand there is a Commissioner with two Assistant Commissioners. In the Commonwealth, up to the present, we have had one Commissioner, and Mr. McLachlan now points out that it is necessary to have an Assistant Commissioner owing to the growth of the work. The Commissioner must also be given some added strength, in order to effectively control the Public Service. A Public Service Commissioner is generally called upon to classify and grade the Service, fix rates of salary, and so forth, but the proposed Board will have added duties of a different nature, and of a character not hitherto undertaken by any Public Service administration in the Commonwealth. The idea is that there shall be business management as well as control of the Service, and this, obviously, cannot be obtained by means of one Commissioner; this necessitates calling in aid from outside in order to bring some additional ability and strength to bear on the general control and the expenditure of the Service.

Mr. Hector Lamond.—What does the "expenditure of the Service" mean?

Mr. GROOM.—I shall explain that in due time. At present I wish to give honorable members some figures showing the increase in the number of public servants under the jurisdiction of the Commissioner. In 1903 there were 11,374 permanent officers in the Commonwealth Service, receiving salaries aggregating £1,521,051. On 30th June of this year the number of permanent servants had increased to 22,817, receiving salaries aggregating £4,639,859. In addition there are also what are known as exempt and casual officers, who lately average, in number, 11,500. These include, of course, semi-official officers and others appointed from outside, and, taken altogether, there are about 34,000 public servants of all classes scattered throughout the Commonwealth.

Mr. Richard Foster.—Casuals at present are not under the Commissioner.

Mr. GROOM.—At the same time there is, necessarily, administration connected with them, and the work, throughout the Continent is, of course, considerable. An attempt has been made in the past by one Commissioner with six inspectors to keep a sort of efficient control over the whole Service. Mr. McLachlan, in his report, shows that the growth of the Service has been so great that the original scheme is inadequate under the present conditions, and for that reason another scheme must be devised.

Mr. Richard Foster.—Will the Board of Management control the casuals as well as the permanent officers?

Mr. GROOM.—The Board of Management will have the same control as that exercised by the Public Service Commissioner. I do not wish to deal now with

matters to be provided for in the new Public Service Bill, but only with the problem as it presents itself, and assuming that the Board of Management has to do the work of the Commissioner under the existing law. I ask honorable members to study the report of Mr. McLachlan, who is now outside the Service, and able, as a capable man, to give us the benefit of his many years' experience. We may, of course, disagree with parts of that report, but, at the same time, it brings out most important facts and circumstances for the consideration of the Government and Parliament. First of all, the Board of Management will take over the full control of all the public servants, and that, in itself, is an important change. We have provided, as regards the decisions of the Board, so far as they are matters for submission to arbitration, that the decisions will be subject to the rights of the persons and associations affected.

Mr. RILEY.—That is only in regard to wages.

Mr. GROOM.—It is in regard to wages, conditions, and so forth, as set out in the Act.

Mr. RICHARD FOSTER.—Why not include the casual employees?

Mr. GROOM.—I am not now dealing with the amending of the general law relating to public servants; that is a matter which will come up for discussion under another Bill. There is no reason, seeing that the business side is urgent, why we should not appoint this Board and get it to work as soon as possible. If, as a result, the Board could advise us in any way in the amending of the general law, we shall not have made a mistake in its early constitution. I desire to take this opportunity to pay a tribute to the Public Service of the Commonwealth, which is the subject of a great deal of criticism. We read and hear remarks made about the increasing expenditure, and are asked why we cannot go back to that of 1913-14.

Mr. MAXWELL.—Some would have us go back to 1901.

Mr. GROOM.—Or even further—to the days of Adam and Eve. Would those organizations and companies which criticise the Public Service, and the expenditure in connexion with it, show their own present balance-sheets, and compare them in the same way with their balance-sheets of 1913-14? Are those organizations and companies paying the same wages now as they did then? Are they purchasing material at the same prices, and making the same charges for the articles they produce? It is only fair that people who indulge in such criticism should apply the same methods to the management of their own affairs. However, I do not wish to unduly press that point now. Ever since the establishment of the Federation, the Commonwealth Public Service has been carrying out its duties in a more efficient manner than they are generally given credit for. I have had a good many years' experience of the Public Service of the Commonwealth, and I know that it is only when some little difficulty arises that we hear this criticism; when the thousand and one duties are performed efficiently and well, and no friction is observable, not a word of praise is forthcoming. Many of the men who were in the Service at the beginning of Federation have now retired, and it is only just to express some gratitude for what they have done for the country. I speak with some feeling on the matter, because it was my duty, in 1905, to introduce the first measure for the classification of the whole Public Service. Up to that time we had been working under six different systems, all conferring different rights and duties on those concerned, and we had to introduce a series of legislative Acts affecting the business of the whole of the continent. When we look back, as we can now, with some historical perspective, we can appreciate the comparative smoothness with which the work has been conducted. When an occasion like this presents itself, it is only fair to express our appreciation.

Mr. RICHARD FOSTER.—It is only fair to say that a great deal of the inefficiency in the past was due as much to Ministers as to public servants.

Mr. GROOM.—Perhaps Parliament may sometimes, in its rashness, cause difficulties in this connexion. However, it is a fitting time, when reviewing our Public Service, to place on record the facts that I have mentioned. What was suitable for 1905 is not suitable for 1920-21, and it becomes necessary to review the position, in the interests of the public generally, and also of the public servants. The first step we are taking is

the appointment of a Board of Management, and in regard to this I refer honorable members to the report of the Economy Commission, Part VIII., page 85, in order that they may appreciate the motives which actuate the Government. Throughout the war, other business men gave us most useful assistance in connexion with the administration of our public activities, and they deserve the thanks of the country. The Economies Commission says—

The outstanding feature in connexion with the conduct of business in those Federal Government Departments which have been investigated by the Commission to date is the absence of systematic control or check upon the economical working of the Departments.

Not only is there no systematic, comprehensive, and continuous check upon the economical and efficient working of the Departments individually by heads of Departments, or as a whole by the Public Service Commissioner, but this duty is not recognised by these officers as a part of their work.

This does not necessarily mean, nor is it intended to convey, that all branches of the work of all the Departments is extravagant and inefficient, for we have had the pleasure of investigating some branches which are admirably managed, the work being economically and efficiently conducted in spite of the absence of any satisfactory control over economy and efficiency by the head of the Department and Public Service Commissioner.

Such results, however, are attributable to some officers satisfying self-imposed standards.

Again, upon page 86 of their report the Commission make a specific recommendation which has been embodied in this Bill. Paragraph 34 of their report reads—

It seems to us that the duty of maintaining such safeguards upon the economical and efficient working of the Departments should be performed by some authority quite independent of the Departments themselves, and as free from the possibility of its powers of healthy criticism being in any way impaired or intimidated, as the Auditor-General is in regard to his checks upon the accurate and honest accounting.

This duty should be performed by a Board of Management for public services, consisting of three persons, whose appointment should be for a term of years, and whose retirement should be on the principle of rotation to insure continuity of policy and with eligibility of re-appointment. The members of the Board should be partly recruited from persons with outside business experience. It is considered that the conditions in regard to the suspension or dismissal of any member of such Board for incapacity, incompetence, or misbehaviour should be similar to those which apply to the Auditor-General's.

It should be the duty of the Board of Management for public services to devise means of measuring the economical efficiency of each and every Department throughout the Commonwealth, and to continually apply these measurements to actual performance.

The Board of Management should take steps to obtain data which will enable it to detect evidence of extravagant working; this data would serve the purpose of a general indicator, and point to the branch or area in which reductions in expenditure might be looked for.

Upon any indication of costly working, it should be immediately investigated by inspection by qualified officers for the purpose of ascertaining whether the high costs are due to unavoidable causes or to extravagance.

The Commission makes it perfectly clear that it does not believe in interference with Ministerial responsibility. Upon this point it says—

The Commission, whilst recognising that the public and Parliament rightly demands that there shall be unimpaired Ministerial responsibility for all matters of policy and the avoidance of the evils of bureaucracy, also recognises that the public rightly demands that safeguards shall be set up which will insure in all cases that unnecessary or indiscreet expenditure or costly working by whomsoever authorized, and notwithstanding who is responsible, will be brought under the notice of Parliament and the public.

The machinery in the Bill, to which I referred earlier in my remarks, will exactly carry out the desire of the Commission in that regard. The Commission further suggests that in order that the Board may carry out its duties efficiently, seeing that the inspectorial staff for which provision is made in the existing law will disappear——

Mr. Richard Foster.—Is it proposed to abolish the offices of the Public Service Inspectors?

Mr. GROOM.—Yes, but it does not follow that the inspectorial duties will go with them. The Commission look forward to a more efficient system. I think that the Public Service Commissioner himself agrees that it is impossible for one inspector to inspect all the Departments of an entire State.

Mr. Riley.—What does the Minister mean by "inspect"?

Mr. GROOM.—The duties of an inspector are defined in the existing Act.

Mr. Riley.—The inspectors remain in their offices all the time.

Mr. GROOM.—The original Act was intended to provide for a scheme of inspection operating over an entire

Continent similar to that which was adopted by big business corporations.

Mr. RILEY.—The Government are merely juggling with names.

Mr. GROOM.—We are doing more than that. Paragraph 40 of the Commission's Report reads—

> It is necessary that there shall be attached to the staff of the Board of Management a small staff of technical officers, expert in different classes of work. These officers should not only be utilized continuously for investigating the economical efficiency of the work in which they are expert in the various Departments of the different States, but should be utilized for the purpose of advising the Board in regard to the rates of pay and efficiency of officers of the Public Service in the technical grades, as it is impossible, under the existing system, for this work to be other than a pretence.

Mr. RILEY.—What is the Public Service Arbitrator to do?

Mr. GROOM.—The duties of an inspector are entirely different from those of an Arbitrator. The latter will have to decide what salary should be paid to an officer in certain circumstances.

Mr. JAMES PAGE.—Is the head of a Department to do nothing at all?

Mr. GROOM.—Does the honorable member for Maranoa (Mr. James Page) think that the Secretary to the Postmaster-General should visit every post-office in Australia?

Mr. CORSER.—We might as well expect the manager of a bank to go out and inspect every one of its branches.

Mr. GROOM.—Or the Governor of the Commonwealth Bank to visit Queensland to inspect the country branches there.

Mr. JAMES PAGE.—Mr. Denison Miller does that.

Mr. GROOM.—Provision is to be made for a proper inspection of the Public Services of the Commonwealth upon modern business lines. That is a very desirable thing. I have shown that the Bill is the result of careful inquiry by the Commission into what they believe will make for economy and efficiency in the administration of our Public Service. It is based upon the report of the Commission.

I wish now to emphasize the added duties which will be placed upon the Board by virtue of this measure. I invite the attention of honorable members to that part of the measure which will vest the Board of Management with powers in respect to contracts and expenditure. During the year 1918-19 the expenditure under ordinary votes for all Departments of the Commonwealth was £16,518,792. The expenditure upon new works, buildings, and sites for all Departments during the same year amounted to £2,186,176.

Mr. TUDOR.—Does that include Defence?

Mr. GROOM.—It includes the general administration of all the Departments, eliminating war expenditure or recurring expenditure such as special payments to the States, &c.

Mr. RICHARD FOSTER.—It covers administration upon the civil side?

Mr. GROOM.—And upon the Defence side also. I do not commit myself to the statement that these figures cover all the expenditure, but I wish to convey some idea of the magnitude of the expenditure that is connected with the general working of our Public Service Departments. This is part of the area over which the Board of Management will exercise supervision. It will be able to investigate the question whether there is a lack of co-ordination in a Department, an absence of system in the checking of expenditure, an ineffective system connected with the costing of works, or whether any contract for supplies ought to be looked into with a view to improving the position. A lot of this work will be detailed; it will be close investigation work, which will require constant supervision. In many instances it cannot be undertaken by the heads of Departments. Obviously there ought to be some supervision exercised over our expenditure similar to that which is exercised by the Auditor-General over our accounts. The Bill will insure efficiency and economy in our Public Service. That is the reason why we propose to appoint a Board of three members in lieu of a Public Service Commissioner. I have now shortly stated the general purpose of the Bill. Honorable members will recognise that its introduction has been rendered necessary by the growth and development of our Public Service, and by the increased activities of modern government.

Mr. RICHARD FOSTER.—Do the Ministry expect that the Bill will obviate the necessity for the creation of a business Board to manage the Postal and Telegraph Department?

Mr. GROOM.—I think that the Board of Management for the Public Service will cover a great deal of the work which would have been performed by a Postal Commission. It will insure a good deal of increased supervision and checking upon business lines, which was the object underlying the proposal to establish a Postal Commission. I hope that honorable members will assist us to get the measure through Committee as speedily as possible in order that we may get the benefit of the experience and advice which will be at the command of the proposed Board of Management.

Mr. GREGORY.—What economies will be effected under the Bill?

Mr. GROOM.—I am not a prophet.

Debate (on motion by Mr. TUDOR) adjourned

CONCILIATION AND ARBITRATION BILL.

In Committee (Consideration of Senate's amendments):

Clause 2—

Section 4 of the principal Act is amended—(*a*) By inserting in the definition of "employer", after the word "industry", the words "and includes a Club."

Senate's Amendment.—Leave out paragraph *a*.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [6.11].—I move—

That the amendment be disagreed to.

Mr. Justice Higgins has held that he cannot see his way to include clubs as employers; but, as the Government were of opinion that they should have no special privileges over any other classes of employers of labour, they made provision in this Bill to include them in the definition of "employer." However, the Senate has omitted from the Bill the paragraph which makes this amendment. The Government cannot see their way to depart from their original intention in this respect.

Motion agreed to.

Verbal amendment in clause 7 agreed to.

Clause 9—

After section eighteen of the principal Act the following section is inserted in Division 2 of Part III.:—

"18A. (1) Subject to this Act the jurisdiction of the Court may be exercised by the President or a Deputy President.

. . . . . .

(4) Notwithstanding anything contained in this Act, the Court shall not have jurisdiction to make an award—

(*a*) increasing the standard hours of work in any industry; or

(*b*) reducing the standard hours of work . . .

unless the question is heard by the President and not less than two Deputy Presidents . . .

Provided that this sub-section shall not apply to any case in which the hearing of the claim was commenced before the commencement of this section."

Senate's Amendment.—After "claim", in the proviso, insert "and the taking of evidence in the Court".

Mr. GROOM (Darling Downs—Minister for Works and Railways) [6.13].—I move—

That the amendment be agreed to.

The amendment made by the Senate only serves to make perfectly clear what cases are not to require the jurisdiction of the President and not less than two Deputy Presidents.

Motion agreed to.

Clause 21—

Section 48 of the principal Act is amended—

Senate's Amendment.—Insert "(*a*1) by inserting before the words 'A County, District, or Local Court' the words 'The High Court or a Justice thereof or'".

Mr. GROOM (Darling Downs—Minister for Works and Railways) [6.14].—I move—

That the amendment be agreed to.

In the Conciliation and Arbitration Act of 1918 a County, District, or Local Court was given power to entertain certain applications in the nature of an injunction or a mandamus to secure the carrying out of awards. In addition to these tribunals, it is now proposed to give this jurisdiction also to the High Court or a Justice thereof.

Motion agreed to.

Senate's Amendment.—After clause 21 insert the following new clause:—

"21A. After section fifty-eight A of the principal Act the following section is inserted:—

'58B. The rules of an organization registered under this Act and the officials of such organization shall not during the currency of an award in the industry concerned prevent or impede any members of such organization from entering into written agreements in accordance with such award at any time prior to the commencement of service.'"

Mr. GROOM (Darling Downs—Minister for Works and Railways) [6.15].—I move—

That the amendment be agreed to.

Honorable members will recollect that when the Bill was in this Chamber the honorable member for Dampier (Mr. Gregory) moved to insert this clause, but the Government could not then accept it. I could not see my way to do so at the time, although on its merits it seemed to me to be a reasonable proposition in that it enabled members of unions, by signing an agreement, to see regular work ahead of them, and permitted the employer to have all his material ready, and make arrangements beforehand, for starting work on a definite date. Furthermore, the proposal seemed good inasmuch as the terms of any agreement arrived at must be settled according to the terms of an award of the Court. That is to say, the men would only be asked to work under an award of the Court. Whether the provision is constitutional or not, is an open question. It appears to me to be something in the nature of an attempt at industrial legislation, and beyond the powers of this Parliament; but lawyers differ as to our powers in this regard, and there is only one Tribunal which can ultimately give a decision upon the matter. If it decides that legislation upon these lines is within the power of this Parliament we will be given wider industrial power than some of us are now inclined to think we possess. However, seeing that the Senate has now inserted the provision, I am agreeable to its inclusion in the Act.

Mr. TUDOR (Yarra) [6.18].—I regret that the Government have gone back on the stand they took up, not only in this House, but also in the Senate, in reference to this proposal. No industrial organization worthy of the name would allow its members to sign agreements.

Mr. GREGORY. — The Australian Workers Union are allowing their members to sign these agreements.

Mr. TUDOR. — Some organizations may permit it, but there will be nothing more provocative of strikes.

Mr. RICHARD FOSTER.—The honorable member does not understand the meaning of the provision.

Mr. TUDOR.—I have had far more experience of trade unionism than the honorable member has had.

Mr. HECTOR LAMOND.—Is this a special law for the Australian Workers Union?

Mr. BLAKELEY. — It has been put in specially to meet the case of shearers.

Mr. TUDOR.—It may apply specially to shearers, but it will affect every registered organization.

Mr. GREGORY. — It does not compel members of organizations to enter into agreements.

Mr. TUDOR.—It will allow them to do so, but 98 per cent. of the organizations will not allow their members to sign these agreements.

Mr. RICHARD FOSTER.—It will be the other way about.

Mr. TUDOR.—The honorable member may know a lot about the Employers Federation, but he knows nothing about unions. I object to the organizations having this power, because it will tend to break down the Arbitration Act. It was the president of the Employers Federation who in the Senate moved for the insertion of this provision, evidently in an attempt to smash trade unionism in the easiest possible way, by practically compelling the weak-kneed individuals in trade organizations to sign agreements. Employers have in former times secured men for wages lower than have been specified.

Mr. GREGORY.—Lower than specified in an award?

Mr. TUDOR.—Yes.

Mr. GREGORY.—That would not be legal.

Mr. TUDOR.—Well, it has been done, and these men, who are known as the "crawlers" in trade union circles, have handed back some of the money to their "bosses."

Mr. GREGORY.—Read the clause. You will see you are wrong.

Mr. TUDOR.—I have read the amendment, and I know the source from which it emanates. It comes from an organization that is endeavouring to smash trade unionism.

Mr. RICHARD FOSTER.—It is not; just the opposite.

Mr. TUDOR.—Not the opposite, as the honorable member interjects. I have

had some experience of trade union movements, and I know what I am talking about. I will guarantee you would not get even women in the hat trade to agree to a clause like this. Let the Government insert a provision applying it only to the Australian Workers Union. It is going to be applied to every registered organization. It states—

The rules of an organization——

Not the rules of the Australian Workers Union—

registered under this Act——

There are other registered organizations besides the Australian Workers Union—

and the officials of such organization shall not during the currency of an award in the industry concerned prevent or impede any members of such organization from entering into written agreements in accordance with such award. . . .

Mr. RICHARD FOSTER.—"In accordance with such award."

Mr. TUDOR.—Yes, in accordance with the piece-work rates paid in many industries, where you will find men giving something back to their "bosses." These are the men that an organization must protect itself against. I shall vote against the insertion of the new clause introduced by the Senate.

Mr. BRENNAN (Batman) [6.24].—I should like to say a few words in opposition to the acceptance of this proposed new clause. I happened to be in another place when this question came before that Chamber, and I noticed, with some interest, that the representatives of the Government there sturdily opposed the proposition that is now before the Committee. They opposed it consistently with the attitude taken up by the Minister in charge of the Bill (Mr. Groom), who, when the Bill was before honorable members before, could not see his way to accept it at the instance of the honorable member for Dampier (Mr. Gregory). I do not criticise the Government merely on the ground that they change their mind, even though they have done so in so brief a time as on this occasion; and especially when they make such frequent and such grave mistakes. I am opposed to the acceptance of this amendment, because of its demerits. Everybody knows that the right of an organization to make rules for its members is the right which every individual in this community enjoys to make contracts, free contracts, with other members of the community for the regulation of conduct and for their mutual welfare. The rules of an organization represent the contract made by its members for their own protection; and they are accepted as the result of deliberation as to what is best to be done, in their own interests, in governing the conduct of its members. This proposal is of very grave importance, because it seeks to limit, in a very arbitrary way, the right of members of an organization to make rules for their own protection amongst themselves. And in a very curious way it overrides the principle, which I always thought was sacred to members on the other side of this chamber, namely, the right of freedom of contract. It may be said, in answer to this, that the Government desire to uphold the right of freedom of contract, and for that reason they have set out to coerce members of organizations who desire to make their rules in a particular way for their own protection. The clause says—

The rules of an organization registered under this Act, and the officials of such organization, shall not during the currency of an award in the industry concerned prevent or impede any members of such organization from entering into written agreements in accordance with such award at any time prior to the commencement of service.

Mr. RILEY.—It cuts into an award right away.

Mr. BRENNAN.—I had always understood that the Government were favorable to a policy of conciliation and arbitration. At the very basis of conciliation and arbitration lies the right of members of an organization to make their own rules for their own governance. Of course this amendment has a practical but sinister meaning.

Mr. RICHARD FOSTER.—It is practical, but not sinister.

Mr. BRENNAN.—It is directed, as I observed from the advocacy of the honorable member for Dampier (Mr. Gregory), and I gather now from the interjection of the honorable member for Wakefield (Mr. Richard Foster), against a certain practice common in the organization known as the Australian Workers Union.

Mr. RICHARD FOSTER.—It is accepted to-day by that union.

Mr. BRENNAN. — The amendment states, not that a person shall not make a contract during the currency of an

award, but that the rules of an organization shall not forbid, as between members of the organization, the making of such a contract. If a person finds the rules of his own organization, which govern the conduct of its members, distasteful to him, the better place for him is outside the organization altogether. He should not invoke the aid of Parliament to prevent such organization from exercising its undoubted right to make rules for its own members. They are not the rules of the Pastoralists Union or the Employers Federation, but the rules of a union governing only the conduct of its members amongst themselves.

Sir JOSEPH COOK.—Then, you say that a union may make rules irrespective of the interests of the community?

Mr. BRENNAN.—I am saying nothing of the sort.

Sitting suspended from 6.30 to 8 p.m.

Mr. BLAKELEY (Darling) [8.0].—I am keenly disappointed at the attitude of the Government in accepting this amendment. It is drafted and instigated by one body alone—the Graziers Association of New South Wales—and is aimed directly and solely at the Australian Workers Union. Since 1907 the Australian Workers Union has been working under awards of the Commonwealth Arbitration Court, and until quite recently no member was prevented from signing agreements prior to roll-call. But because of the actions of certain pastoralists throughout Australia, who attempted to get an advantage from the men by charging them high prices for their meat, the Australian Workers Union was practically compelled to add a rule to its constitution to prevent members from signing agreements prior to roll-call at the shed. Having signed no prior agreement, the men, on arrival at the shed, were in a position to prevent exploitation by the pastoralists through charges of 6d. to 1s. per lb. for meat. In some instances the squatters have positively refused to supply the men with meat, and in one case the men were compelled to send 30 miles for meat.

Mr. LIVINGSTON.—I did not think there were such unreasonable men in Australia.

Mr. BLAKELEY.—The honorable member may accept my assurance that there are; hence the necessity for rule 112 in the Australian Workers Union constitution. This year, for the first time in the history of the industry, the agreement made between the Graziers Association and the Pastoralists Unions of the different States and the Australian Workers Union included a fixed price for meat, with the result that, no matter where a member contracts to shear, he knows before he goes to the station what price he will pay for his meat. On four occasions during the last five years we endeavoured to induce the Pastoralists Unions and the Graziers Associations to come to an agreement as to the price of meat, but not until this year was a satisfactory arrangement made. Immediately that agreement was signed the Australian Workers Union agreed to suspend the operation of rule 112, and this year members of the union are making their arrangements prior to going to the sheds. If this amendment, which is instigated by the Graziers Association of New South Wales, and is aimed at the Australian Workers Union, is brought into operation the shearers will be compelled to pay—if the union will allow them to do so—any price for meat that the pastoralists themselves may fix. They will thus be completely at the mercy of the dishonest squatters of whom, unfortunately, there is quite a number.

This proposal is not new. In 1917 the present Government were approached by the Graziers Asosciation of New South Wales, and again in 1919 by the secretary of that organization. When this amendment was moved during the course of the Bill's progress through this House, the Minister in charge refused to accept it, but apparently sufficient pressure was brought to bear to induce the Government to accept the amendment when it was proposed in another place. Honorable members should not allow an organization of employers to use this Legislature for the purpose of getting amendments made to the Act, in order to hit at certain members of the Australian Workers Union. I hope that the Committee will refuse to accept the amendment, because, notwithstanding what may be said by honorable members opposite, there is no union covered by an award of the Arbitration Court, other than the Australian Workers Union, which the amendment will affect.

Mr. Gibson.—The price of meat is now fixed in the agreement.

Mr. Richard Foster.—It is fixed in the award.

Mr. BLAKELEY.—The arrangement in regard to the price of meat is not an award of the Arbitration Court. Both the award and the agreement will expire this year, and if this amendment becomes law the Australian Workers Union will be compelled to rescind rule 112. Then its members will be in exactly the same position as they were when the union was forced by dishonest squatters to prevent its members from signing any agreement until they had arrived at the station and found that the conditions were satisfactory.

Mr. Groom.—This amendment has regard to the award.

Mr. BLAKELEY.—The Australian Workers Union is at present working under an award, and will continue to do so as long as Parliament allows it. But if the Government are determined to compel us to rescind rule 112 they will be taking one further step towards driving the Australian Workers Union from the Arbitration Court. The organization has been working under an award since 1907. No union has availed itself of the Court more than has the Australian Workers Union, and none has so faithfully and loyally abided by awards.

Mr. Richard Foster.—It has not entirely abided by awards.

Mr. Fleming.—Not by any means.

Mr. BLAKELEY.—I am saying that, generally, no organization has been more loyal to the Court. But this amendment, combined with the action of the Government in forcing Mr. Justice Higgins out of the Court, and substituting Mr. Justice Starke, will completely destroy the faith of the Australian Workers Union in Arbitration.

If the Parliament desires industrial peace it should not act at the behest of any one organization, such as the Graziers Association of New South Wales. This amendment was drafted by Mr. Knox, now the Federal Chief Justice, in 1917, and was incorporated in a letter sent to the present Minister for Works and Railways (Mr. Groom), and many other members of this House, and the Senate.

Mr. Gregory.—I do not know that the amendment was drafted by him, but I think he stated that it was quite constitutional.

Mr. BLAKELEY.—I shall read to the Committee the following letter addressed by Mr. J. W. Allen, Secretary of the Graziers Association of New South Wales, to the then Acting Attorney-General (Mr. Groom), which sets out clearly what is desired by the graziers:—

17th April, 1919.

Sir,

Commonwealth Arbitration Act.—Proposed Amendment re Signing Shearing Agreements before Roll-call.

In December last, the writer, by direction of the executive, laid before you in Melbourne particulars of a proposal for amendment of the Commonwealth Arbitration Act to enable graziers to make binding shearing engagements prior to the arrival of the men on the stations. The necessity for the amendment of the Act is brought about by the action of the Australian Workers Union in adopting a rule imposing a penalty of £2 upon each member who enters into a signed agreement prior to roll-call. It has already been pointed out that it has been customary in the industry for very many years to sign agreements some considerable time before commencement of work, as it is only by such means that binding contracts can be made and the employer on the one hand be enabled to definitely arrange his shearing operations, and the employee on the other hand to be definitely assured of engagement prior to travelling long distances for the purpose of securing employment. As an award of the Commonwealth Court is in operation providing more favorable terms for employees than have previously prevailed, it is inequitable that the union and employees should, by the use of the rule in question, be placed in the position of being able, while taking full advantage of the award, by force of the employer's necessity, to also demand additional concessions on arrival at the station. The rule can only exist for this purpose, and has already had the effect in this State of enabling members to demand in some cases increased rates of payment, in others adult wages for boys; and in other cases various concessions. The fact that general trouble has not yet arisen is no argument for the maintenance of such an unjust rule, which is disadvantageous alike to employer and employee, and which is also diametrically opposed to the spirit of the Arbitration Act. All means other than an alteration of the Act have been exhausted endeavouring to secure the withdrawal of this rule. A conference with the Australian Workers Union has proved unavailing, the Arbitration Court has held that the rule is not at present contrary to law, and although many employees have ignored the rule they have been penalized by the union and prevented from entering into signed agreements prior to roll-call.

In December last, when I placed the position before you and before many members of Parliament, each member agreed that the union should be prevented from maintaining

the objectionable rule in question. You, however, stated that your Government could not so late in the session introduce a debatable clause in the amending Act, and in addition raised doubt as to whether the proposal could constitutionally be enacted. The question was submitted to eminent counsel, and the attached opinion by Mr. Adrian Knox, K.C. (copy of which has been previously sent you), indicates that there are apparently constitutional difficulties in the way of adopting this association's proposal.

In view of the above, I have, by direction of my executive, again to ask that the proposal should be incorporated as an amendment of the Commonwealth Arbitration Act at the earliest possible date, in order to avoid industrial difficulty in the pastoral industry.

The suggested amendment is as follows:—"The rules of an organization registered under this Act and the officials of such an organization shall not during the currency of an award in the industry concerned prevent or impede any members of such organization from entering into written agreements in accordance with such award at any time prior to the commencement of service."

The opinion referred to is as follows:—

Opinion of Mr. Adrian Knox, K.C., re Suggested amendment of Commonwealth Arbitration Act—23rd December, 1918.

In my opinion, it is within the powers of the Commonwealth Parliament under the Constitution to prescribe the conditions under which associations or bodies of persons may become and remain organizations for the purposes indicated in that Act are themselves within the powers of the Parliament. On this ground I am of opinion that section 55 (2) of the Act prescribing the conditions to be complied with by associations applying for registration as organizations is within the powers of the Parliament, and it appears to me that the High Court so decided in the Jumbunna case—6 C.S.R. at pp. 340 and 347 per *C.J.* and Barton, *J.* If this be so, I see no reason why Parliament should not have power to prescribe that no organization shall be registered or continue to be registered, the rules of which contain any provision hindering its members from entering into agreements in accordance with the terms of an existing award. Moreover, it seems to me to be involved in the decision above referred to, even if not expressly decided in that case, that section 9 of the Act is within the powers of the Parliament. If this be so, I can see no substantial reason why it should not be equally within the power of Parliament to prescribe that no member of an organization should be subjected to any penalty of any kind by reason of his having entered into an agreement with an employer before commencing work provided such agreement conformed to the terms of any existing award.

I think that Parliament might also prescribe that the rules of the organization should contain provision forbidding any official of the organization from hindering or preventing a member from entering into any agreement in conformity with any existing award.

2 and 3. The proposed amendment could not be effectively introduced by statutory rule, because as the Act stands at present the power to prescribe conditions by rules only extends to associations applying to be registered as organizations—section 55 (2).

Mr. Riley.—Who received that advice?

Mr. BLAKELEY.—The Graziers Association, and Mr., now Chief Justice, Knox gave an opinion on which he drafted an amendment, which has again been brought forward and accepted by the Government. It is really an amendment from the Graziers Association, and is intended to apply solely to the Australian Workers Union. As president of that union, I could not recommend it to remain registered under the Commonwealth Court of Conciliation and Arbitration if such a provision was inserted in the Bill. There is no necessity for it, so long as the pastoralists of Australia are prepared to do the fair thing in regard to the supply of meat. If they will only do what they have done this year, there is not likely to be any trouble.

Mr. Fleming.—Why should not the pastoralists be prepared to give a fair deal to the men?

Mr. BLAKELEY.—They have consistently refused to enter into any arrangement in regard to the supply of meat, and the Court has always refused to fix the price. If the members of my organization are prevented from signing any agreement prior to roll-call, it will mean that they will be at the mercy of the squatters, and can be charged anything.

Mr. Fleming.—Could not the price be embodied in the agreement?

Mr. BLAKELEY.—Not unless the members of the Graziers Association agree. There would have to be an arrangement between the two organizations.

Mr. Fleming.—That could easily be arrived at.

Mr. BLAKELEY.—Until this year, we have not been able to enter into an agreement with the pastoralists; and I believe that if this amendment is accepted there is not likely to be any further agreement in regard to the price of meat.

Mr. Fleming.—I do not think the honorable member need worry about that.

Mr. BLAKELEY.—The honorable member must admit that I am in a better position to judge than he is.

Mr. FLEMING.—I had a good deal to do with it from the other side.

Mr. BLAKELEY.—If that is so, the honorable member will know that the pastoralists have, until quite recently, refused to enter into an agreement with the members of the Australian Workers Union.

Mr. FLEMING.—But an agreement has been entered into now.

Mr. BLAKELEY.—Yes, and that, as well as the award under which we are working, expires in Deecmber of this year.

Mr. RICHARD FOSTER.—Does not an award determine the price of meat according to the district?

Mr. BLAKELEY.—No. The Court has never fixed the price of meat.

Mr. HUGHES.—Does the President say he cannot do so?

Mr. BLAKELEY.—He has always refused on the ground that he has not the power.

Mr. HUGHES.—Does he say that?

Mr. BLAKELEY.—Yes.

Mr. GROOM.—He has fixed a ration scale.

Mr. BLAKELEY.—No; he has allowed a Board of Reference between employers and employees to be constituted, which applies only to station hands. That Board of Reference has fixed the price of meat at 3d. and 3½d. per lb.

Mr. GROOM.—That is in pursuance of an award.

Mr. BLAKELEY.—Yes, and in relation to station hands only. While a Board of Reference could fix the price of meat for our members we have not been able to come to an arrangement with the pastoralists and graziers. We are, therefore, compelled to prevent any member of our organization from signing on until he knows what rates of pay he is to receive for shearing and what he is to be charged for meat.

Mr. RILEY.—You are merely protecting your own interests.

Mr. BLAKELEY.—Absolutely.

Mr. FLEMING.—But an agreement has been made.

Mr. BLAKELEY.—Yes, and it terminates in December next.

Mr. FLEMING.—Cannot it be extended?

Mr. BLAKELEY.—If the honorable member is speaking officially on behalf of the pastoralists and graziers of Australia, and assures me that they are prepared to enter into a similar agreement next year, there might be something doing; but he has no authority.

Mr. FLEMING.—I have no official authority.

Mr. BLAKELEY.—My experience with the Graziers Association of Australia has convinced me that unless an organization occupies a very strong position it will never get anything.

Mr. RICHARD FOSTER.—It depends on how that organization uses its strength.

Mr. BLAKELEY.—We have used it in the best interests of our members. Much has been said concerning industrial unrest and industrial peace, and, personally, I do not think this will tend to create industrial peace.

Mr. RICHARD FOSTER.—It will, with 70 per cent. of the men.

Mr. BLAKELEY.—We have had a good illustration this year of the solidarity of the Australian Workers Union. In Western Australia and Tasmania we entered into an agreement with the pastoralists, and in Queensland we have a State award, which leaves only South Australia, Victoria, and New South Wales. We have entered into an arrangement with the pastoralists of South Australia and the West Darling district of New South Wales, and south-western Riverina in Victoria, leaving only a small portion of New South Wales where they refuse to concede a forty-four-hour week. A strike occurred, and approximately forty sheds out of many thousands worked on the forty-eight hours system.

The Australian Workers Union has already proved its solidarity and strength, and if it is desired by this Government—I am not making a threat—to make our position such that we cannot remain a registered organization, well and good. We are prepared to get out, and discard the Arbitration Court altogether, depending upon conferences or direct action to protect our interests. That is the position. With the much-desired resignation—on the part of some—of Mr. Justice Higgins, and the appointment of another gentleman, who considers £3 a week sufficient for a single man, it would appear to be impossible

for the Australian Workers Union to remain a registered organization.

Mr. HUGHES (Bendigo—Prime Minister and Attorney-General) [8.28].—The honorable member for Darling (Mr. Blakeley), who speaks with authority, has told us quite clearly that he, on behalf of his organization, cannot accept the amendment made by the Senate in this Bill. I listened to the honorable member with considerable interest, because it is most refreshing to hear a man who understands what he is talking about. It happens so rarely in this place that I was glad I was present when the honorable member was speaking. But while I listened with great interest to what he had to say, he failed to convince me that this amendment would injure or menace his organization. I am sorry the Senate inserted the amendment; but it did, and, of course, against the wishes of the Government.

The honorable member has told us in effect that unless we are prepared to do as he wishes, he will recommend his organization to withdraw from the Arbitration Court, and to resort to those other methods—conferences and direct action—the first of which is only mentioned for the purpose of effectively setting out the other. The honorable member has said that that is not a threat. What is it, if it is not a threat? It is a threat, because he followed it up by giving an instance of the tremendous strength of the organization, which we all know perfectly well. If I thought for a moment that this amendment aimed a blow at unionism generally, as the Leader of the Opposition (Mr. Tudor) said, or that it aimed a blow at the Australian Workers Union in particular, as the honorable member for Darling said, I would not vote for it under any circumstances.

Mr. BLAKELEY.—What other union would it affect?

Mr. HUGHES.—The Leader of the Opposition said that it would affect other unions, but I agree with the honorable member that it would not.

Turning for a moment from the main argument, I should like to point out to the honorable member for Darling that many unionists, practically every day of their lives, make agreements before they enter the sheds.

Mr. CHARLTON.—Oh, no.

Mr. HUGHES.—But I know that they do. The honorable member's knowledge of unions other than those of the coal miners may be extensive, but it certainly is not profound. He will in any case allow me to have my opinion, since my experience is at least as extensive as his own.

The honorable member for Darling said, "The Senate's amendment is a blow aimed at the Australian Workers Union, and such a blow, that, if it is insisted upon, I shall be compelled to recommend my union to withdraw from the Conciliation and Arbitration Court." That is a very improper statement to make. It is the more improper because of the flimsiness of the pretext. The position has been outlined by the honorable member himself. He says that the Australian Workers Union members can now sign on before they go to a shed, and that this has been made possible because the pastoralists now have agreed to charge a reasonable price for meat. He could hardly expect the Committee and the country to accept that as a sufficient reason for the union's tame acceptance of a principle which the honorable gentleman has just declared menaces its very existence. I remember that the Australian Workers Union took up the same position that it does now when the price of meat never came into consideration. I speak of what occurred in a very large number of sheds in New South Wales which I visited in my capacity as a political and industrial organizer. I never heard the price of meat given out as a reason why the hands should not sign on before they went to a shed. I freely admit that if the pastoralists were using this system of making agreements, beforehand, as a means to get behind the award and defeat its real object, the position would be very serious, and that if I were a member of the Australian Workers Union I should not be inclined to countenance it for a day. I do not wish any one to be under a misapprehension as to what I should do in such circumstances. But the honorable member for Darling knows perfectly well that he has not set out his case completely. He does not tell the Committee that in very many cases it is true, as alleged in Mr. Allen's letter, that there are extremists in his organization who have gone to sheds and, by

threats of a strike, have compelled the employer to concede terms and conditions outside the award. He has not said that extremists in his organization have torn the award into tatters, and have said to a station-owner, "We will not start for you unless you are prepared to give us higher rates and better conditions than those prescribed in the award." If we take the honorable member's own statement of his case, and the facts as we know them—and the honorable member cannot deny that what I say is true—we find that in very many cases the men have used the power and strength of their organization—certainly not at the behest of that organization—as a shield behind which to tear up an award and resort to direct action. Every one knows that they have done so.

It is proposed by the Senate's amendment that, in order that the pastoralist may know where he is, and make his arrangements, as he must do, beforehand, he should be able to make binding contracts with the men, and so fill up his board. The honorable member for Darling says that that is so serious a blow at the Australian Workers Union that if it is persisted in that organization will have to withdraw from the Court. In almost the same breath he tells us that the members of his organization are at the present time working under such an arrangement, and explains that by saying, "We now have the price of meat fixed." It is absurd to expect those honorable members who have had some experience of unions, and particularly of the Australian Workers Union, to believe that that union would be satisfied, and is satisfied, to go on suspending the rule to which this proposal relates, provided its members get an assurance that the price of meat shall be as fixed. The honorable member knows perfectly well that in very many cases members of an organization—not once with the authority of the union concerned—have held up by the pistol of direct action the pastoralists in different parts of the country. That is not fair. The honorable member says that this amendment was moved in the Senate at the instigation of the Pastoralists and Graziers Associations.

Mr. BLAKELEY.—So it was.

Mr. HUGHES.—I do not know whether it was or not; but the Government opposed it when it was submitted in this House, and opposed it also in the Senate. The honorable member to-night has supplied the Committee with the best argument why we should not shipwreck this measure by rejecting the Senate's amendment. We have to ask ourselves whether it is better to accept the amendment or to reject the Bill by sending it back to another place. Is there any reasonable probability that the Senate would retrace its steps?

Mr. RILEY.—Let us try.

Mr. HUGHES.—The honorable member knows perfectly well that it would not.

The honorable member for Darling said a great deal about the Conciliation and Arbitration Court, and the effect of the Senate's amendment. Despite the opinion given by the Chief Justice before he was raised to the Bench, I do not think the amendment is constitutional. In my opinion, it is not constitutional, for the reason that it does two things: In the first place, it limits the judicial power of the President of the Conciliation and Arbitration Court. No one denies that, apart from that, he could have made this condition had he chosen to do so. If this amendment is included it will apply to any award he may make. The Court will have no discretionary powers—this amendment is an impairment of the judicial discretion. Under the Commonwealth Constitution, as I read it, Parliament has no power to do any such thing. It cannot make a law of any sort with regard to industrial matters, but is confined to dealing with certain classes of industrial disputes by means of arbitration and conciliation, and not by direct legislation. That brings me to the second reason why I think the amendment is unconstitutional, and that is because it is, in effect, an industrial law. As my honorable and learned colleague (Mr. Groom) has said, there are opinions on both sides. The High Court alone can say what is the law.

The honorable member for Batman (Mr. Brennan), before the dinner adjournment, dealt with the invasion this amendment made upon the right of bodies and persons to make laws affecting their relations *inter se*. He said that was wrong. But what the amendment really seeks to do is to prevent the union from prohibiting its members from giving full

effect to the award by preventing the pastoral industry from being carried on effectively. The honorable member for Darling said we ought not to allow this Legislature to be used for the purposes of the Graziers and Pastoralists Associations. I admit that; but I do not know that, coming from such a quarter, that is such a reproach calculated to carry very great weight, because I remember very distinctly using this Legislature for the purposes of the Australian Workers Union. That was then considered to be not only permissible, but both moral and proper. I do not think it was proper. I had, however, to do it.

Mr. BLAKELEY.—But the amendment to which the Prime Minister refers applied to all organizations. It benefited the whole of them, whereas this will affect only one organization.

Mr. HUGHES.—I admit that in practice this amendment will be limited to one organization, but that is really because that one organization is so vast as practically to control all industries connected with the primary producers. The honorable member may correct me if I am wrong, but I think it controls all primary industries with the exception of mining. The honorable member has failed, I think, to convince the Committee that his organization will suffer any wrong, and failed because he admits that, at this very moment, members of that organization are working under the very conditions for which the amendment provides. He says that the present agreement will lapse at the end of the year, and that he does not think it will be renewed, or that another agreement will be made. I do not accept that statement. I think the honorable member will find, as time goes on, that the partoralists will be quite ready to make another agreement. In any case, the honorable member has now a remedy, whereas formerly he had none, and that remedy is contained in this very Bill. Under this amending law the Australian Workers Union can ask for the variation of an award. I do not think that it is quite fair to say that it is Mr. Justice Higgins' view that he cannot impose such conditions in an award as will insure the men getting their stores at a reasonable rate. I should not like to say that he can do it; but I am inclined to think that if I were in his place I would do it. I think he could very easily say that he had the power to do it, because the circumstances under which the men work are such that the purpose of an award will be defeated entirely if the pastoralists can extort what price they please for the things which the men must have to eat, and without which they cannot carry on their work.

It amounts, then, to this: The honorable gentleman says that the amendment is aimed at the Australian Workers Union, that it is inserted in this Bill at the instigation of the Pastoralists Union, that its effect will be to enable the pastoralists to increase the price of stores, and particularly of meat, to the shearers, and so defeat the award. He says that if it is persisted in the Australian Workers Union will withdraw from the Arbitration Court. On my side, I say that none of these statements carry much weight, excepting the threat which the honorable member made that, unless we did what he wanted us to do, he would not recommend the organization to continue its registration.

Mr. BLAKELEY.—The right honorable gentleman is misrepresenting me. What I said was that I personally could not recommend to the members of the organization that they should work under such a condition.

Mr. HUGHES.—The honorable gentleman said that he could not recommend them to work under such a condition. Either that is a threat without anything behind it, and that is to say that the honorable gentleman knows very well that the council of the organization will not deregister or remove the organization from the Arbitration Court, and so he has fired a blank cartridge; or else it is loaded. In either case, I think it is most improper.

Let me put this to the honorable gentleman: I hardly pick up a newspaper any day now in which I do not see a reference to complaints made by the President of the Arbitration Court that sufficient assistance is not given, or that certain amendments are not made in the law. A little while ago a vote of censure on the Government was moved in this House because we had not introduced industrial legislation. Since then we have introduced three major industrial measures—the Industrial Peace Bill, the Bill now under consideration, and the Arbitration (Public Service) Bill.

These amply fulfil the pledges we made to the electors. The need for this Bill is urgent and imperative. I am not going to vote against this amendment and so risk this Bill, but I say to every member of the Committee that the Government will accept whatever is done. Every honorable member on this side may vote as he pleases. For my part I stand where I did when the measure was introduced. I am sorry that the amendment has been made.

I cannot accept the statement of the honorable member for Darling (Mr. Blakeley) that the amendment is intended or will injure the Australian Workers Union, because I know the Australian Workers Union too well. I hear these statements every day. I heard the honorable member for Hunter (Mr. Charlton) declare that if a certain amendment was made in the Industrial Peace Bill the effect would be disastrous, but so far as I know nothing has happened.

Mr. Charlton. — What amendment was that?

Mr. HUGHES.—I forget what the particular amendment was, but I know that the honorable member predicted disaster if it was accepted. The fact of the matter is that unionism in this country has reached a stage when it is beyond the power of any one to do it any harm. There is only one quarter in which danger can come to unionism, and that is from within. It cannot be hurt from without. Honorable members know that very well. A great union like the Australian Workers Union should welcome this amendment, because it should serve to preserve something like discipline. It would enable the union to deal with bands of Industrial Workers of the World who get into it, and, under cover of its broad wing, strive to bring it into disrepute. Discipline is wanted in the Australian Workers Union, and for that reason this amendment should not be regarded as a bad thing, although I can quite understand that the honorable member for Darling feels it to be his duty to speak against it. The attitude of the Government is that we regret that the amendment has been made. But we have already disagreed with one of the Senate's amendments, and we feel that on the whole the interests of industrial peace will be best served by accepting this amendment, and so allowing the Bill to become law.

One word more and I have done. The honorable member for Darling has said what the pastoralists will do next year in the way of raising the price of meat to the shearers. All I have to say on that point is that if the Lord spares us we shall be here next year, and I shall certainly not sit down quietly while any body of men seek to get behind the law and defeat the object of an award of the Arbitration Court. If a remedy comes from no other quarter, the Government will supply it.

Mr. CHARLTON (Hunter) [8.55].—I have been surprised at the speech delivered by the Prime Minister (Mr. Hughes) in support of an amendment which he has condemned from the beginning of his remarks. A similar amendment was defeated in this Chamber, and, subsequently, was carried in another place. The right honorable gentleman gives that as one reason why the Government should accept it. Has it come to this now, that another place in which there is only one member opposed to the Government is going to be permitted to dictate the legislation of this country, and the Government are prepared to accept that position? On the face of it, if the right honorable gentleman is a strong man, and it is claimed that he is, he certainly should not accept an amendment of this kind when he does not really believe in it. He has admitted that he has no time for it, and that in his opinion it should never have been included in this Bill, but he goes on to say that rather than risk a crisis with the other Chamber he is prepared to accept the amendment.

Mr. Richard Foster.—He said "rather than risk the loss of the Bill."

Mr. CHARLTON.—He said both. Thirty-five out of thirty-six of the members in another place are followers of the Prime Minister, and are they to demand the right to dictate what the legislation of Parliament shall be?

Mr. Richard Foster.—Are they to be dummies?

Mr. CHARLTON.—No, but are we to understand that they are to rule the Government of this country? The majority of Ministers are members of the House of Representatives, and is it to be said that, because a couple of Ministers in another place are unable to control the

followers of the Government there, if they insert an obnoxious amendment in a Bill it must be accepted? That is the position which the Prime Minister has placed before us this evening. The division which took place on this amendment in another place goes to show that it had not the support of even the majority of members of that Chamber. This amendment was carried by a vote of nine "Ayes" to seven "Noes."

Mr. RICHARD FOSTER.—What was the number of pairs?

Mr. CHARLTON.—There were no pairs recorded. The position, then, is that nine members in a House of thirty-six have inserted in this Bill a clause, which was rejected in this Chamber, and because they have done so the Government is prepared now to accept it notwithstanding the fact that it is admitted that its insertion will not be in the best interests of the measure. That seems to me to be a lamentable position in which to place this House, and I am surprised that the Prime Minister should accept it in the manner he has done.

The right honorable gentleman says that in his opinion the amendment is unconstitutional. Surely that is another reason why it should be rejected. The Government, I hope, do not propose to insert provisions in a Bill which are believed to be unconstitutional. Are we not here for the purpose of passing measures in accordance with the Constitution?

Mr. HUGHES.—I have expressed only my opinion on that point.

Mr. CHARLTON.—The right honorable gentleman's opinion, as head of the Government, should go a long way. If I were head of the Government, and held the opinion that a certain provision was unconstitutional, I should not permit it to be included in a Government measure. Here we have the spectacle of the head of the Government accepting a provision, which was rejected in this Chamber on a previous occasion, and at the same time expressing the opinion that it is unconstitutional. Where are we drifting to if we must accept an amendment of this kind because it has been made in another place? I am inclined to think, with the honorable member for Darling, that this amendment has been supplied by a body vitally interested in its passage, and that is the Pastoralists Union.

The honorable member for Darling (Mr. Blakeley) did not say what was attributed to him by the Prime Minister. He did not say that he would not recommend his union to still continue its registration in the Arbitration Court. What he said was that the present agreement will expire in December of this year, and that with this provision in the law he cannot, as head of the organization, recommend the Australian Workers Union to continue its registration. Why should he say that? Is it not because to do so would be to put him as head of the executive of the organization in the position of asking its members to continue registration after the inclusion in the law of a provision which they have been fighting against for a considerable time, and have only recently succeeded in defeating? He pointed out that rule 112 of the rule-book of the union was brought into operation quite recently.

Mr. HUGHES.—It is not in operation. That is the whole point. It has been suspended.

Mr. BLAKELEY.—It was in operation for only two years, and it is now suspended.

Mr. CHARLTON.—That does not affect what I desire to say. If we make this amendment the law, the union can not have such a rule in its rule-book at all.

Mr. FLEMING.—After two years' trial they suspended it.

Mr. CHARLTON.—They did so only because they have a satisfactory agreement under which they are working. If they secure a mutual agreement with their employers, which covers what they desire, they need not bother about a rule on the subject. But if for any reason the agreement were broken, they would fall back upon their rule, and endeavour to come to some arrangement whereby they could get meat at a fixed price. There could be no exception taken to such procedure. It is admitted that the amendment applies to only one organization. For years the members of the Australian Workers Union have been fighting to secure a square deal in the matter of meat supplies, but they have been unable to get satisfaction. They found that when individual members had the right to sign independent agreements, they were liable to be charged any price for meat and goods which the employers cared to demand. As for the Prime Minister's

endeavour to disparage my experience of trade unionism, I may tell him that I am a foundation member of one of the biggest unions in Western Australia, and that I hold a certificate attesting that fact. I have been connected with as many unions, probably, as the right honorable gentleman himself; and I say, definitely, that no union could accept a provision of this character.

Mr. GREGORY.—What is wrong with it?

Mr. CHARLTON.—The essence of trade unionism is that there must be a recognised head, and that there must be accepted rules.

Mr. GREGORY.—And loyalty to an award.

Mr. CHARLTON.—It would be disastrous to a union if it were to permit individual members to form separate and private agreements.

Mr. GREGORY.—The amendment does not involve the matter of a separate agreement; we are not asking for that.

Mr. CHARLTON.—That is what it does involve.

Mr. GREGORY.—Nothing of the kind.

Mr. CHARLTON.—With respect to meat supplies, the Judge before whom the matter came up refused to make any provision in his award. In the circumstances, there was nothing to prevent individuals from entering into private agreements; but, if the practice were permitted, how would it be possible to carry on an organization? Where would be the discipline? There must be organization. Every organization must have a head. There must be discipline; there must be unanimity in respect of the practical working of an organization. It is of no use for one body or individual to be working independently of another batch of members. All must pull together, or there will be disaster. Those are hard facts which can be confirmed by reference to any organization official. Honorable members may inquire of any industrial body, and they will learn that individual members cannot be permitted to enter into separate agreements.

Mr. RICHARD FOSTER.—But they did so for thirty years.

Mr. BLAKELEY.—The honorable member does not know what he is talking about.

Mr. CHARLTON.—Suppose that I were to concede that they did so. It would be obvious that now, after all those years, they had come to a conclusion that the practice was a mistake, and that the rules must be altered.

Mr. RICHARD FOSTER.—That is just the view-point of the wild element.

Mr. CHARLTON.—I repeat that in every organization there must be discipline. There must be rules, and members must be guided by those rules; and any member who acts independently, and in contradiction to the rules, is likely to bring his organization to disaster.

Mr. FLEMING.—But the honorable member must know that, in many cases, individual unionists do act independently.

Mr. CHARLTON.—The Prime Minister said so, but he did not venture to mention the specific union which he may have had in mind. No organization could exist for twelve months in such circumstances.

Mr. RICHARD FOSTER.—That is silly stuff.

Mr. CHARLTON.—It is the truth, and the honorable member may confirm it by inquiring of any unionist. It is a fact that applies to every industrial organization, and not merely to the shearers.

Mr. GREGORY.—The amendment will apply only to the Australian Workers Union.

Mr. CHARLTON.—It should not be made applicable to any union; but will honorable members argue that, if the amendment becomes law, all registered unions will not come under its scope?

Mr. GREGORY.—Of course, that will be the case.

Mr. CHARLTON.—But the only organization which the amendment is hitting at is the Australian Workers Union. My union will have nothing to do with the Arbitration Act for the very reason that its recognition leads to situations of the kind which is now under discussion As for the unions which have accepted the Industrial Peace Act—and I am very glad that they have done so—I point out that they do not come under this measure at all. Miners, and other big bodies of unionists, are not concerned. This amendment hits at organizations which are registered before the Court.

No union in Australia has been more loyal than the Australian Workers Union to the spirit of the Arbitration Act.

Mr. GREGORY.—I do not know so much about that in the light of experience this year. The union is going before the Queensland Court.

Mr. BLAKELEY.—It is still a matter of arbitration.

Mr. CHARLTON.—The Australian Workers Union came under the Arbitration Act practically from its proclamation; and, from that day to this, it has been loyal to the awards of the Court. There has been no general upheaval in the ranks of that body in so far as it has affected a big Australian industry.

Mr. GREGORY.—There have been many demands made by shearers, who have come before the Board without being signed on, and have asked for award rates.

Mr. BLAKELEY.—The honorable member cannot prove that.

Mr. CHARLTON.—The fact remains that the Australian Workers Union has been loyal to arbitration, and I would point out to the honorable member for Dampier (Mr. Gregory) that its members are compelled to work under the awards of the Court.

Mr. GREGORY.—They have not done so.

Mr. FLEMING.—In many sheds the men have made alterations of their own.

Mr. CHARLTON.—The honorable member knows very well that that does not apply generally to the organization, and that, as such, it has been loyal to arbitration. The union desires to remain loyal, and it is well for this country, and for the individual interests of pastoralists, who are so anxious over the fate of this amendment, that the Australian Workers Union has remained loyal. Throughout the war its members continued to work, and made the best of their situation, although the cost of living was ever rising.

Sir GRANVILLE RYRIE.—Their pay has been rising all the time.

Mr. CHARLTON.—So it should do. Very often, however, before a rise in wages could be secured the cost of living had gone up out of all proportion to wages. Supposing that the men had taken the bit in their teeth, and had said, "The cost of living has gone up another 20 or 30 per cent. We cannot secure rises in conformity with the increased cost. We will refuse to work until we get a fair thing." They did not take that stand, however, but went about matters in the proper way and secured an agreement. That is entirely to their credit. Because a few individual members of the Committee are pressing for the amendment, why should it be accepted? The effect of its inclusion will be that pastoralists will be free to charge whatever they please for meat and goods. Surely we should protect their employees from such a state of affairs.

Mr. GREGORY.—The agreement does that.

Mr. CHARLTON.—As I have already stressed, if individual members are to be free to make their own terms, organization will break down. Either that will occur, or a majority of the members of a union will say, "It is time for us to take a determined stand against this kind of thing. We cannot continue upon unconstitutional lines. We shall not permit the minority to enter into separate agreements and ignore the Act and its awards." Procedure such as that is similar to the insidious attacks of white ants in gradually eating away the foundations of a building.

Mr. RICHARD FOSTER.—The white ants are operating right enough.

Mr. CHARLTON.—They are, and in this very Chamber, it would appear, in view of the fact that the Government have intimated plainly enough that they do not approve of the amendment.

What are the facts? The offending clause was rejected by this Committee; yet the Government have permitted nine of the thirty-six members of the Senate—all of them supposed to be supporters of the Government — to dictate policy. The white ants are eating into the ranks of the Government as well as working elsewhere. It appears to me that the Senate is going to control this Parliament and country. It will do so, if the Government are supine, and if we are to be forced to accept its dictation. However, I do not think the Prime Minister accepted the will of the Senate in this matter merely because it was such, or that he was afraid of losing the Bill. I believe the Prime Minister has sufficient power to whip up the Senate and make it reverse its decision to-morrow, if he desired to do so. Behind the amendment, however, there are certain individual

members of this Chamber who are pushing the Government. There is too much of this kind of thing going on to-day. It is not for the good of the country that the Government have not a larger straight-out majority in this Chamber. There are influences at work all the time. Certain individuals are giving conditional support to the Government. They want certain things, and they must be placated. It is very evident that there is an influence at work here to enforce on the Government the acceptance of the amendment. I am confident that the Prime Minister himself is strongly opposed to the underlying proposition. If his remarks on the subject meant anything at all, it is clear that he has no time for any amendment of this nature. But, rather than precipitate a crisis, or run the risk of losing the Bill, he has preferred to be dictated to by nine members of another place. As a matter of fact, I do not really believe that is the case. As I have already said, the acceptance of the amendment is an evidence of the placation of certain members of this Chamber, who are the spokesmen for the pastoralists.

Mr. GREGORY (Dampier) [9.15].—As the member who originally introduced this amendment to the Chamber, I emphatically contradict the statement of the Leader of the Opposition (Mr. Tudor) that it was designed for the purpose of breaking up trade unionism. I do not believe the honorable member himself thinks so.

Mr. TUDOR.—I do. There is no better way by which you can smash trade unionism.

Mr. GREGORY.—I do not think even the honorable member believes that. I assure him and the Committee generally that the employers prefer to deal with organized rather than with disorganized labour. We have followed the trend of trade unionism here and all over the world, and realize its advantages as well as its disadvantages. I should be sorry to see anything done that would in any way help to destroy trade union organizations in this country, but harm very often results from incomplete legislation. I fail to understand where the objection to so reasonable an amendment comes in. No one has shown where any evil could result from it. Look at all the legislation that has been passed year after year for the last twenty years with a view to building up trade union organizations. We quite understand their advantages, and, if I were working for a daily wage, I would be one of the first to join a union, in order that we might fight as an organized body. But there are some things done by many of these organizations to which I would very strenuously object. I would not put into the hands of a few people absolute power to dominate me during the whole of my work. Does the Leader of the Opposition concur with the message from Sydney on Saturday night calling a stop-work meeting of the seamen? That is the sort of thing we are going to have here. They talk about industrial legislation and arbitration courts, and industrial peace. Are these the sort of proceedings that we should have?

Mr. BLAKELEY.—Will this amendment prevent stop-work meetings of the seamen?

Mr. GREGORY. — Should any organization have the power to do these things when an Arbitration Court is in existence, and the men are working under an arbitration award?

Although this amendment will apply to all organizations registered with the Court, it will apply specially to the Australian Workers Union, and the effect, so far as I am concerned, will be mostly with the shearers and the cane cutters, but principally with the shearers. Shearing operations extend over the whole of Australia. They start at the end of March in the north of Western Australia, and some men go right through and finish at the end of November or early in December in the south. Is it a good thing to allow them to enter into arrangements with a contractor, so that the whole of their work may be in accordance with an agreement registered as a portion of the award in the Arbitration Court?

Sir GRANVILLE RYRIE.—It allows them to get what they call a "run." The good men are all in favour of it.

Mr. GREGORY.—I should not have tried to press this amendment if I had had any doubts as to its constitutionality. The honorable member for Darling (Mr. Blakeley) has read the opinion given by Mr. Adrian Knox, now Chief Justice, who had intimate relationships with the Arbitration Court and constitutional law, and who strongly supports my contention. I have here the following opinions from

Sir E. F. Mitchell, K.C., as to the validity of the proposed new clause:—

I have read clause 58B which was inserted as an amendment by the Senate into the Bill now before Parliament to amend the Federal Arbitration Act.

In my opinion it is within the constitutional powers of the Federal Parliament to enact such a clause, and I am quite clear that it would be upheld as valid by the High Court if passed and its validity challenged.

In the Jumbunna case, 6 C.L.R., p. 309, it was held by all the then five Judges of the High Court that the constitution empowered the Federal Parliament to enact the sections of the Arbitration Act which regulate the registration of organizations, and in my opinion it was clearly competent for the Parliament to prescribe the conditions for valid registration, including what the rules of the organization should or should not contain with respect to anything connected with the awards or with the industry to which the awards related.

Looking at the real substance of clause 58B, which must be done when determining its constitutional validity, it does two things: (1) prescribes there shall be nothing in the rules of an organization registered under the Act to prevent or impede any members of such organization from entering into written agreements during the currency of an award in accordance with its terms before the commencement of service; (2) prohibits the officials of any registered organization from similarly preventing or impeding any such members from entering into any such agreements before the commencement of service.

I think that both (1) and (2) are valid and will be upheld; (2) stands or falls on the same principles as would determine the validity of section 6 of the Arbitration Act, which I have no doubt is valid and which was assumed to be valid by all the Judges of the High Court in *Metropolitan Coal Company of Sydney Limited and others* v. *The Australian Coal and Shale Employees Federation*, 24 C.L.R., 85; and (1) stands on a still stronger basis, both because it is something that would have been enacted directly by section 6 and also because it was competent for Parliament to prescribe what the rules of organizations should or should not contain on such a subject matter.

I have another from Mr. Campbell, K.C., who also states that, in his opinion, it is quite competent for the Federal Parliament to enact such a clause. Sir Edward Mitchell states very clearly exactly what the clause does. So long as the award itself is being carried out, where can any valid objection be raised by any of the members of the union? It will not in any sense affect shearing this season. All the agreements have been fixed up for the present year. The Australian Workers Union have agreed, in their contracts with the Pastoralists Association, to put the principle of the clause into operation, although some little time ago they passed a rule making any member of the Australian Workers Union liable to a fine of £2 for entering into any such agreement.

Mr. BLAKELEY.—The honorable member is quite wrong in saying that we have agreed to this clause.

Mr. GREGORY.—What I meant to convey was that the Australian Workers Union suspended their rule on the subject for the present season, and permitted their members to sign on. In view of the enormous area over which shearing is conducted, many men must lose heavily who go to a shed and find that there is no board open for them there. Is it fair to those who specially follow this work to insist upon the method of balloting to decide which men are to be employed? Is it fair to those who give satisfaction time after time, to those who employ them? Take the case of men who carry out special contracts with the pastoralists to shear their flocks. I know several pastoralists who always engage a certain number of shearers, and these men travel over enormous distances to carry out the engagements which they have entered into months and months ahead. This practice must be to the advantage of the worker—I am talking of the better class men amongst the shearers, who follow this work year after year. If they can enter into definite engagements with contractors, surely it is far better for the industry, the organization, the pastoralists, and themselves? I cannot see how it can be injurious, either to the organization or to the men. It must tend to get rid of a great deal of the difficulty which must arise if more men offer at a shed than are wanted, and some have to go away empty-handed. It must mean serious loss to them.

The honorable member for Batman (Mr. Brennan) says the amendment is an endeavour to coerce the organization, but, on the other hand, what right has the organization to make rules that would coerce the individual, so long as he, as a member of that organization, is prepared to observe the award of the Court and stick to his agreement?

Mr. TUDOR.—He voluntarily joins the organization.

Mr. GREGORY.—He naturally assumes that Parliament will see that no organization becomes tyrannical in the

incidence of its rules. There can be as much tyranny in that way as in any other.

Mr. Tudor.—The organization decides its own rules; no individual decides them.

Mr. GREGORY.—But, if an organization began to frame rules merely to protect those who are in it and nothing further, how long would Parliament protect it?

Mr. Tudor.—Other organizations than the Australian Workers Union, which have a rule forbidding their members to enter into agreements, will be compelled to strike it out if they want to go to the Arbitration Court.

Mr. GREGORY.—They should not make such rules, and Parliament must protect the individual member as well as the organization.

Mr. Tudor.—That rule has been in operation for thirty years in the case of organizations other than the Australian Workers Union. Both the rule and the practice is not to allow their members to enter into agreements.

Mr. GREGORY.—I have here the shearers' agreement for this year, entered into between the Pastoralists Association and the Australian Workers Union.

Mr. Blakeley.—That is the first agreement which mentions the price of meat.

Mr. GREGORY.—I congratulate the honorable member on entering into an agreement of this sort. If representatives on each side who understand the industry get together at a round table conference, and come to an agreement, which goes to the Court and is registered as an agreement under the Arbitration Act, we shall have far better, more binding, and more workable awards than will be made by any Judge of the Court. If they cannot agree on all the points, they can agree on the majority of them, and then get the Judge to give a determination on those in dispute.

Mr. Blakeley.—We always do that.

Mr. GREGORY.—They did it in the Kalgoorlie district for many years, and there was always a splendid feeling between the employers and the employees, but as soon as they began fighting in the Arbitration Court that good feeling disappeared, and the greatest friction began to prevail. I am glad the honorable member believes in the principle of arriving at agreements in this way. It is a much fairer and better method, for the one great reason that the men who frame such agreements know the industry and all the difficulties on both sides. Any agreement entered into by them must be much more workable than an arrangement come to in any other way. The agreement contains quite a number of clauses dealing with the conditions that must be observed. I cannot understand how any pastoralist who endeavours to impose unfair or unjust conditions on any body of men, particularly such an organization as the Australian Workers Union, ever gets his sheep shorn. If a pastoralist played "the dirty game" with an organization of which I was a member, I would soon send out a "round robin" that would cause him difficulty in the future.

Mr. Lazzarini.—You would be a "tyrannical unionist"?

Mr. GREGORY.—I would be quite sure of my ground before I did anything of the sort. The agreement makes special provision with regard to the stores to be supplied, and so forth. These stores need not be bought from the pastoralist unless the men chose; but, if he does supply them, he has to supply them at cost price, plus 10 per cent. In the case of meat, the charge must not exceed the wholesale carcass price in the nearest township.

Mr. Blakeley.—The honorable member evidently has not the right agreement. What he is reading is not the agreement we are now working under.

Mr. GREGORY.—This was given to me by the secretary of the Pastoralists Association only a few days ago.

Mr. Blakeley.—Unless it sets out certain specified prices for meat in each State, it is not the present agreement.

Mr. GREGORY.—Am I to understand that there is a later agreement which specifically states the prices to be charged for the meat supplied?

Mr. Blakeley.—Yes.

Mr. GREGORY.—Under the circumstances, however, I hope that the House will agree to the amendment.

There is not the slightest desire to destroy unionism. There are many phases of the Arbitration Act with which I disagree. I should like to see an Act which placed the same obligations on the employees as on the employer, and I have emphasized my objections time after time. I have always believed in arbitration, subject to certain conditions; but far and away above all other considerations, is a system of fixing up industrial agreements by men who are associated with the particular industry, and who thoroughly understand it. I should be very sorry indeed to do anything that would in any way injure the industrial organizations of the country, because I realize what they have done for the workers in the past. I also believe that, if these matters were dealt with by conscientious men, who were always prepared to see the difficulties on the other side as well as on their own, the conditions of the workers would be improved, and it would tend to pave the way to better industrial conditions. If representatives go to extremes, they only injure those they represent, but with men who aim at fairness, justice, and equity for all, trade unionism must be for the benefit of the workers. I am satisfied that I speak for the great majority of honorable members on this side, who are prepared to do all they can to place these organizations on a fair and sound footing.

Mr. FLEMING (Robertson) [9.34].—The honorable member for Darling (Mr. Blakeley), who speaks with authority as the direct representative of the Australian Workers Union in this House, has asserted that there is not a man here who directly represents the pastoralists. That is quite true, but we need not waste tears over the pastoralists, because their lack of representation is their own fault. It is not merely a matter of protecting the pastoralist; this proposal, even if, as the honorable member for Darling says, it affects only one union—although the Leader of the Opposition (Mr. Tudor) says it affects all unions——

Mr. Tudor.—I am sure it does; there are numbers of unions registered to-day which will have to be de-registered if this amendment is adopted.

Mr. FLEMING.—The honorable member for Darling, who is president of the Australian Workers Union, says that the amendment affects his union only; but, even so, it still affects the greatest wealth-producing interest in Australia. The amendment is directed to conserve the interests of all the steady men in that organization. I have been interested in this particular phase of production ever since I was old enough to walk, and I can assure honorable members that the steady and reliable men, the best shearers, have always desired signed agreements in order that they may have security. As the honorable member for Dampier (Mr. Gregory) says, these men go to shed after shed, and they desire to be assured of an agreement which binds the pastoralists exactly as it binds themselves. All the talk of the honorable member for Darling about the price of meat seems to me to be beside the mark. We know that for many years there has been difficulty with some graziers about the price of meat, but for the first time in the history of the industry, as the honorable member himself admits, we have an agreement. There is no reason to suppose that the graziers, having found the benefit of an agreement, are going to burst up the whole industry over the price of meat. After all, the price of meat to the shearers means very little.

Mr. Richard Foster.—It is a very small percentage.

Mr. FLEMING.—It is an infinitesimal percentage of the earnings or losses for the year. I speak with some authority, and I assure honorable members that the meat supplied to the shearers very often means a loss to the pastoralists, because it is supplied under cost price. It will be seen that there are two sides to this question.

We have been told by the honorable member for Darling that this amendment was drafted by the Graziers Union.

Mr. Blakeley.—By the Graziers Council.

Mr. FLEMING.—Does that necessarily mean that it is a wrong agreement? Have the graziers not as much right to protect themselves as has the Australian Workers Union? It is only by meeting on common ground that we shall arrive at a satisfactory solution of all the troubles in the primary producing industries. This

amendment is really to prevent restless spirits, who are to be found in every union, as everywhere else, holding up a shed simply because there happens to be no agreement. The average shearer does not attempt to do any such thing. He is as decent a man as any other member of the community, but, naturally, in a great nomadic body of men, we find those who are prepared to take advantage of any loophole. If, as I have seen myself, there is no agreement, they will hold up the whole business, and, possibly, put the grazier to endless expense. A grazier will sometimes have his sheep ready mustered, and all his arrangements made at considerable cost, only to find them upset.

Mr. BLAKELEY.—The honorable member is extremely ridiculous when he speaks of one man putting probably twenty men out of work.

Mr. FLEMING.—Surely the honorable member knows that it can be done, and has seen it done.

Mr. BLAKELEY.—Do you say that the twenty men are sheep?

Mr. RILEY.—Or lambs?

Mr. FLEMING.—Perhaps they are sometimes lambs. If a contract is entered into, it will be equally binding on both sides, and neither side will enter blindly.

It has been said by the honorable member for Hunter (Mr. Charlton) that if members of the unions are allowed to make an agreement trouble will result, because it is impossible for any award or agreement to cover all requirements. Certainly that is impossible, but the main thing is to remove the chief cause of the trouble, and allow those concerned to come to a mutual agreement on the minor matters. No man will claim that all the little exigencies can be met by any agreement, but it is a matter of working in harmony, and I believe that if this clause is inserted in the Bill there will be a much better spirit in the industry than at present. Eighteen years ago, in the State Parliament of New South Wales, I supported the Shearers' Accommodation Act, because there were odd pastoralists who made conditions extremely difficult for the shearers. So such men would make it difficult to-day but for the Shearers Union. The Australian Workers Union is powerful enough to protect itself in every way, and none of us has any desire to destroy it, but desire a common meeting ground such as an agreement of this kind would give. The amendment gives security to a great body of honest men, who, year by year, follow the sheds in order to make sufficient to maintain their families, and, possibly, build up homes for themselves in the future. The amendment would have a twofold effect; it would secure stability, to a certain degree, in the greatest wealth-producing industry in Australia, and protect the better section of the men who carry it on.

Mr. RILEY (South Sydney) [9.44].—It is refreshing to hear honorable members on the Government side, who never raised their voice when the Bill was previously before us, now finding a hundred and one reasons why we should concur with the amendment of the Senate. The Government and their supporters rejected a similar amendment moved by the honorable member for Dampier (Mr. Gregory) on a former occasion, but now we are referred to a long list of legal opinions in its support.

Mr. RICHARD FOSTER.—I will tell you how that was done.

Mr. RILEY.—I shall be pleased to listen to the honorable member, who is armed with the legal opinions of the best King's counsels in Australia. I wonder who went to the trouble to get these opinions for the honorable member. Surely it was the pastoralists?

Mr. RICHARD FOSTER.—Why not? Are they not a party to the agreement?

Mr. RILEY.—But what tickles me is that all this is done in the interests of the "poor shearer."

Mr. RICHARD FOSTER.—I shall also explain that to you.

Mr. RILEY.—These legal luminaries point out that the proposal is not unconstitutional. The best legal talent in the Attorney-General's Department affirms that it is, as does also the Prime Minister himself. The other branch of the Legislature, in the interests of the shearers themselves, professes a desire that its

amendment should be adopted. But what is the position? Out of thirty-six members of the Senate only nine voted in favour of the proposal, whilst seven voted against it. Yet the Government now say that we ought to accept it rather than precipitate a crisis with the other branch of the Parliament. What is all the trouble about? Surely the shearers themselves know what they want. Their organization desires that a certain measure of protection shall be extended to it. If we concede the right of any individual member of it to sign an agreement with his employer, we shall entirely cut away the awards which have been gained by that organization. If once this principle be adopted, every award made by the Arbitration Court will be practically nullified. It will mean starting the "white ant" in unionistic circles. It will constitute a death-blow to trade unionism. To allow individual members of an organization to sign agreements with employers would be an intolerable position. I never heard the Prime Minister (Mr. Hughes) so weak as he was when discussing this question to-night. He was palpably arguing against his own convictions. He said that this was not a Government measure but that he would vote for the acceptance of the amendment in order to avoid a crisis, and that Ministerial supporters would be free to vote as they chose. What reasons have been advanced for the acceptance of the amendment? I was present in the Senate when the proposal was under consideration there, and it was debated almost entirely by pastoralist representatives. If this Committee rejects it, and the Government intimate to the Senate that, in their opinion, it is an unconstitutional proposal, I have no doubt that it will be dropped. Upon the other hand, if it be adopted here, it will aim a blow at unionism, and will certainly not tend to industrial harmony in the future. The Australian Workers Union has loyally supported the principle of arbitration, even when it has been opposed by other organizations. Consequently, it is up to us to support it now. The Australian Workers Union objects to its rights being filched from it by individual members of the organization being permitted to enter into agreements with their employers. Let us stand by the union which has stood by arbitration.

Mr. BLAKELEY.—There has practically been no strike amongst the shearers since 1907.

Mr. RILEY.—This great organization has directed all its energies to the prevention of strikes. Now it is asking the Government to help it by refusing to allow its members to enter into private agreements with pastoralists. In the interests of industrial peace, and on account of the record of the Australian Workers Union, I trust that the amendment will be rejected.

Mr. RICHARD FOSTER (Wakefield) [9.52].—The people of South Australia, who are interested in this matter, feel very strongly upon it. Personally I desire to secure some measure of stability for the pastoral industry, in the interests of the employees as well as of the graziers. It is idle for honorable members opposite to suggest that for years there have been no strikes in the shearing industry. There have been strikes every year, somewhere. South Australia, however, has been exceptionally free from them. The Pastoralists' Association, and graziers generally, desire that the right of individual members of the Australian Workers Union to enter into agreements with them shall be continued, because it has been the custom for these men to sign on in the various towns where labour has been picked up, for more than thirty years. Upon many occasions, the unions have forbidden them to sign agreements that they would fulfil the terms of existing awards. What does that mean to the station-owners, and particularly to the old shearers, who have a large circuit, and who have been engaged in shearing for eight or nine months out of every year? It means that these men will have the privilege of completing their big rounds with as little interruption as possible. If they are forbidden to sign agreements they will have to risk being involved in a cessation of work for a considerable period, because of unreasonable demands being made by a few individuals upon their arrival at a station. I am not here to justify the action of unreasonable pastoralists. If they do not choose to play the game they deserve to

be penalized. But generally speaking the Senate's amendment, if adopted, will be productive of industrial harmony, because it is in the interests of both parties. Some honorable members opposite have hinted that certain things will happen if all their demands are not granted. Surely it is just about time that the industries of this country had a look in. No reasonable man can say that generous attention has not been given by this Parliament, and by the State Parliaments to industrial matters for years past. I hope that we shall not allow these pin pricks, which are administered by men who are lepers in this particular industry, to disturb industrial harmony. Let us have a little bit of peace and some stability for the industry.

For the information of my Scotch friend, the honorable member for South Sydney (Mr. Riley). I desire to explain what occurred in this Chamber when the first division upon this question was taken. The Minister in charge of the Bill stated that he was not certain that the proposed amendment was constitutional, and added that Sir Robert Garran had expressed a doubt upon the matter.

Mr. Groom.—And I read his opinion.

Mr. RICHARD FOSTER.—I did not take much notice of that—because it was backed only by a sort of half confidence—when I learned what was the opinion of Mr. Adrian Knox. The opinion expressed by the latter has since been supported by the opinions of two other eminent K.C.'s. Surely the great woollen industry of this country—the biggest industry that we have—is entitled to some consideration. If the men who represent that industry choose to obtain the opinions of the highest legal talent in the land upon this question, they have a perfect right to do so. I am quite certain that the stability of the industry will be promoted by the adoption of the amendment.

Mr. Rodgers.—And if fair weather be experienced, the pastoralists will throw in the meat for the shearers.

Mr. RICHARD FOSTER.—As has been pointed out by the honorable member for Robertson (Mr. Fleming) not much difficulty will be experienced in dealing with that question. I know that there are some pastoralists who have no brains, otherwise they would not make trouble on account of an extra 2d. or 3d. per lb. in the price of meat supplied to the shearers. It would pay them better to have the latter start operations in a contented and happy frame of mind. In that case the increased efficiency, which they would obtain, would more than offset a small loss in the price of the meat supplied to their employees.

Mr. **LAZZARINI** (Werriwa) [10.0].—An astounding piece of knowledge I have gained to-night is that it is not this Chamber that has the say in matters of importance concerning the administration of the affairs of this country, but that another Chamber governs this House. As a matter of fact, two members of another place govern us in regard to the proposal now under consideration, because the new clause which we are asked to accept was carried in the Senate by a majority of two. There were nine senators in favour of it and seven opposed to it, whereas when the provision was moved by the honorable member for Dampier (Mr. Gregory) in this Chamber only eleven honorable members voted for it while thirty-seven voted against it. I wonder how many of those thirty-seven have changed their opinions. We know that the honorable member for Wakefield (Mr. Richard Foster) has done so, because he has just informed us that he voted against it previously because Sir Robert Garran had declared that the proposed clause was unconstitutional, which opinion the Prime Minister (Mr. Hughes) has confirmed to-night. If the provision is unconstitutional, why should we go through the farce of inserting it in the Act and making this Parliament the laughing-stock of the people when ultimately the section in question comes to be declared by the High Court unconstitutional? Immediately opposition was raised to the Senate's amendment to-day, and mention was made of the Australian Workers Union and certain agreements, the honorable member for Dampier and the honorable member for Wakefield, who have fought so strenuously for the acceptance of the Senate's proposal, interjected that members of the Australian Workers Union are already working under agreements with the pastoralists in regard to the price of meat. But the honorable member for Darling (Mr. Blakeley) has pointed out that the members of the

Australian Workers Union could not get the pastoralists to make these agreements until this year, and that they had been obliged to insert a rule in their constitutions in order to make provision for them. And now it would seem, when the first year covered by these agreements is about to expire, that the pastoralists are making use of the fact that they have been entered into as a lever for having this provision inserted in the Conciliation and Arbitration Act. At any rate, it would appear that they have some motive behind their action in consenting to make these agreements for the past twelve months. Perhaps they were looking a few moves ahead, for it is certain that they have mobilized their forces and laid their plans very carefully in order to get this provision into the Act, backed up by their friends, not only in another place, but also in this Chamber. I have had some experience with some of the big squatters of New South Wales, and, in my opinion, once this clause is agreed to the Australian Workers Union will find it very hard to get the price of meat fixed in any future agreements, or the inclusion of any of the other items usually to be found in them, before shearing time. I believe that the provision is directed against this large organization, and that the signing of agreements before going to shearing sheds will not only prove dangerous to them, but will also prevent the smooth working of the industry in which they are engaged.

Mr. CHARLTON.—They admit that it applies to them only.

Mr. LAZZARINI.—But there are clauses in the constitutions of all industrial unions providing that none of their members shall make individual agreements with employers, and any attempt to cut those clauses out, and make collective bargaining impossible, will be a direct blow at one of the fundamental principles of unionism. In fact, I am satisfied that this amendment is a deliberate attempt, as one honorable member has put it, to get the "white-anting" process into trade unionism, and drive the organizations into taking direct action. It is certainly a farce to introduce an Industrial Peace Bill with the idea of creating industrial harmony, and then come along a few weeks afterwards with a provision which must fill the country with industrial unrest, because no trade unions would dare to register under an Arbitration Act which compelled them to take out of their constitutions all provisions preventing their members from signing individual agreements with employers. I agree with the Prime Minister (Mr. Hughes) that we have spent about three months of this session in dealing with Bills patching up existing legislation or introducing new proposals for dealing with industrial troubles; but, on the other hand, I hold that each and every one of them is just as likely to create industrial unrest as to bring about industrial harmony, and that is more particularly true in regard to the proposal now under consideration. We are told by the Prime Minister that it is most likely unconstitutional, but rather than lose a Bill which he seems to think is essential to industrial peace he is prepared to allow the policy of the Government to be dictated by two out of the 111 members of the two Chambers. Honorable members here and legal authorities outside claim that the Commonwealth Parliament has ample power to deal with matters that make for industrial unrest other than trouble in connexion with trade unions, and one thing that has brought about considerable unrest and grumblings in this country for the last four years is the depredations of profiteers.

The DEPUTY CHAIRMAN (**Mr. Fleming**).—The honorable member is now referring to a matter which is outside the scope of the Senate's amendment.

Mr. LAZZARINI.—I was merely referring to something that has tended to bring about industrial unrest. It is suggested that we can pass this legislation, although it may be declared to be unconstitutional, yet evidently nothing can be done in other directions that tend to create industrial unrest, because some one claims that it is unconstitutional for this Parliament to attempt to do so. According to the Prime Minister, the Senate's amendment is unconstitutional and cannot be used, even if it is inserted in the Act, but rather than sacrifice the Bill he is prepared to make a fool of himself and of the Bill and the Government.

Mr. CHARLTON.—Rather than make his followers agree to it.

Mr. LAZZARINI. — Possibly. The argument of honorable members who have spoken in favour of the proposal is that it will have no effect on trade unionism. They say, "It is merely nothing; so let it go." But we know what has been the result of the fight for unionism from its very inception, when a few men organized in other countries and started unions, and when they came to this country and organized so that the membership of unions grew from a few thousands to tens of thousands and hundreds of thousands. They will do nothing except in a collective capacity. An honorable member opposite talked about the tyranny of certain unions over their members. As a matter of fact a member enters a union for co-operation and collective bargaining. There is no doubt that if individuals are allowed to sign contracts, and if any union making a rule prohibiting this course of action is debarred from registration, the Arbitration Court will be absolutely impossible as a means for the settlement of disputes to any trade union in the country.

Mr. **HECTOR LAMOND** (Illawarra) [10.12].—Speeches like that made by the honorable member who has just resumed his seat (Mr. Lazzarini) make it rather difficult for those who desire to see the fair thing done between two parties. Personally, I regret that the Prime Minister (Mr. Hughes) has been overruled in his opinion as to what should have been done with this amendment. It would have been fairer to honorable members and more in accordance with strict constitutional usage if the Government, believing that the amendment should not be in the Bill, had carried the fight at least to the stage of determining whether or not the majority of the other Chamber were in favour of it. At present all we know is that by a plurality of two votes in a vote of half the Senate this amendment was inserted in the Bill. Apparently it is harmless, but it comes within the category of those pin-pricks in legislation referred to by the honorable member for Wakefield (Mr. Foster). I do not think the amendment will do much good or harm, but it has the misfortune of having been fathered by one side to a dispute, and forced upon the other. In these circumstances it cannot be expected that the union will tamely submit to having its rules altered by the other side, with the full knowledge that the Government responsible for the Bill do not approve of it; and when, moreover, it has been done by a minority in one Chamber of the Legislature without any knowledge as to how the majority may view the matter, I think it altogether deplorable.

Mr. CHARLTON.—And there were only eleven members in this House supporting the amendment in the first place.

Mr. HECTOR LAMOND.—I have had a very long connexion with the Australian Workers Union. For many years I knew its inner workings as well as the next man. If there is one line of policy that we as a Parliament should follow, it is to strengthen the hands of those in the union who are prepared to abide by the principle of arbitration. By passing the amendment which has been inserted in another place, we are really being asked to play into the hands of the extreme section in the union, to whom we are handing another weapon with which to fight those who are trying to keep the union within the purview of the Arbitration Court. For that reason I intend to vote against the proposal.

Mr. TUDOR.—This will affect, not only the Australian Workers Union, but every other organization that registers under the Arbitration Court.

Mr. HECTOR LAMOND. — I see the danger, which, I am sure, has escaped the notice of the Prime Minister. While this may not now affect members of unions who do not enter into engagements in the same sense as the Australian Workers Union, this amendment if agreed to will open the door to a small section of unscrupulous employers, who may, under its protection, force upon unions that hitherto have not had agreements, very objectionable conditions indeed. The Prime Minister, I think, laid too much stress upon the fact that a certain agreement existed between the pastoralists and the Australian Workers Union. If this amendment is passed it is possible that this agreement will not be renewed. It may be that the Australian Workers Union has been able to get a satisfactory agreement with regard to the price of meat, because of its

power to prevent its members signing an agreement. This amendment will take away that power, and so weaken the union in its fight for conditions which may be fair and reasonable. It is not right to say that the whole of the pastoralists, or a majority of them, are unreasonable; but it is a fact that on some stations the conditions imposed upon men, after they have signed agreements, with regard to matters not touched by the award, have been such as to deprive them, in part, of the benefits of the award. It is because of my appreciation of this fact that I am unable to follow the Government in regard to the Senate's amendment.

Mr. BLAKELEY (Darling) [10.17].—The honorable members for Dampier (Mr. Gregory), Barker (Mr. Livingston), and Robertson (Mr. Fleming) expressed solicitude for the members of the Australian Workers Union, but I may point out that this rule, No. 112, is not an executive rule, passed by a handful of men. For a number of years the treatment of Australian Workers Union members by certain squatters was such as to practically compel our members to demand that the Convention should provide some safeguard. Delegates from all parts of Australia attended the Convention, and it was only after many hundreds of resolutions had been received that this rule was brought into operation. Our men found, after they had signed agreements in Sydney, and went to Cunnamulla, Longreach, Camooweal, or away out on the Oodnadatta line, totally different conditions of working, especially with regard to meat, and so they were compelled to protect themselves against unscrupulous employers. The extraordinary feature about this amendment is that the Government do not believe in it. The Prime Minister, who is also Attorney-General (Mr. Hughes), does not believe in it, and the Minister in charge (Mr. Groom) did not believe in it last week. Whether, since then, he has been converted to a belief in it or not, I do not know, but I do not think he has. I think he is solid enough on law not to be turned aside merely by the quotation of a few legal opinions; for after all, one may buy almost any kind of opinion one chooses. I am prepared to say that, with regard to this particular matter, I could get opinions, contrary to those quoted during this debate, all over Melbourne, or any other city. These legal opinions do not go for very much. The honorable member for Dampier (Mr. Gregory) is quite frank about his attitude. He is working in conjunction with the pastoralists' organization. There is no doubt that the amendment emanates from the pastoralists' organization. There is equally no doubt that it is aimed at one organization alone. It will have far-reaching and important effects, as was shown by the honorable member for Yarra (Mr. Tudor). If by means of this amendment Parliament is to interfere with the rules of organizations registered under the Arbitration Act, those who support the amendment will do more than they intended, namely, to aim a blow at a particular organization. I say to honorable members, many of whom voted against this amendment a few days ago, that they ought to be very careful indeed lest they wreck the whole Act. There is a large number of unions which specifically lay down in their rules that no member shall individually sign an agreement—that members shall not sign any agreement at all.

Mr. RILEY.—That is a foundational principle.

Mr. TUDOR.—Practically every organization has that rule.

Mr. BLAKELEY.—I do not know any organization that has not.

Mr. BAMFORD.—The principle right along has been collective bargaining.

Mr. BLAKELEY.—Exactly. The Australian Workers Union is the only organization in Australia which provides for individual agreements, and it is the only organization at which the amendment is aimed. When this amendment was previously before this Committee eleven members voted in favour of it and thirty-seven against it. In another place nine voted for it, and seven against, leaving an affirmative majority of two out of a total membership of thirty-six. What is the reason for this change in the attitude of the Government, a change that is extraordinary in view of the attitude adopted by the Prime Minister to-night? He told us, quite frankly, that he does not believe

in the amendment, and that, in his opinion, it is unconstitutional. He deprecated the idea of any organization attempting to dictate to Parliament as to how it shall legislate. One would deduce from the Prime Minister's demeanour that the influences mentioned by the honorable member for Hunter (Mr. Charlton) are at work, and that they are so strong as to practically control this Chamber and another place. No new evidence has been brought forward in support of the amendment.

Mr. Gregory.—There is the possibility of losing the Bill.

Mr. BLAKELEY.—The honorable member knows perfectly well that there is no possibility of losing the Bill, especially in view of the fact that in this Committee there was a majority of twenty-six against the amendment and in another place a majority of only two in favour, with less than half the members voting. There is every possibility of the Arbitration Act being wrecked by the amendment. I do not think the honorable member for Dampier (Mr. Gregory), when he first moved the amendment in this House, contemplated that it would affect any organization but the Australian Workers Union.

Mr. Gregory.—I thought it would affect only the shearers and the cane cutters.

Mr. Tudor.—It will affect every organization that has a rule forbidding individual agreements. They will all be deregistered by this amendment.

Mr. BLAKELEY.—The Prime Minister, after making an extraordinary Yes-No speech, said that, so far as he was concerned, honorable members could vote as they thought fit. Apparently he is being very hardly driven. He stated that a similar course had been taken before the Australian Workers Union. That is not so. The amendments to the Arbitration Act which were introduced by a Labour Government affected every union and every unionist, but this amendment is aimed at one organization only, and for that reason, if for no other, members of this Committee should think well before voting for such a provision to be inserted in the Act.

Question—That the Senate's amendment be agreed to—put. The Committee divided.

Ayes	.. .. ..	22
Noes	.. .. ..	8
Majority	.. ..	14

Ayes.

Bruce, S. M.	Mackay, G. H.
Cook, Sir Joseph	Marks, W. M.
Cook, Robert	Marr, C. W. C.
Corser, E. B. C.	Rodgers, A. S.
Fleming, W. M.	Ryrie, Sir Granville
Foster, Richard	Smith, Laird
Greene, W. G.	Stewart, P. G.
Gregory, H.	Wise, G. H.
Groom, L. E.	
Jackson, D. S.	*Tellers:*
Lister, J. H.	Burchell, R. J.
Livingston, J.	Story, W. H.

Noes.

Bamford, F. W.	**Tudor, F. G.**
Blundell, R. P.	
Lazzarini, H. P.	*Tellers:*
Mathews, J.	**Blakeley, A.**
Riley, E.	Charlton, M.

Pairs.

Atkinson, L.	Mahony, W. G.
Bayley, J. G.	Lavelle, T. J.
Bell, G. J.	Makin, N. J. O.
Bowden, E. K.	Gabb, J. M.
Cameron, D. C.	Fenton, J. E.
Chapman, Austin	West, J. E.
Hay, A.	Nicholls, S. R.
Francis, F. H.	McGrath, D. C.
Hughes, W. M.	Moloney, Parker
Poynton, A.	Catts, J. H.
Prowse, J. H.	Ryan, T. J.
Watt, W. A.	Anstey, F.
Higgs, W. G.	Watkins, D.
McWilliams, W. J.	Cunningham, L. L.
Jowett, E.	Maloney, Dr.
Gibson, W. G.	Mahon, H.
Maxwell, G. A.	Brennan, F.
Wienholt, A.	McDonald, C.
Hill, W. C.	Considine, M. P.
Page, Dr. Earle	Page, James

Question so resolved in the affirmative.

Senate's amendment agreed to.

Senate's Amendment.—Leave our clause 22.

Motion (by Mr. Groom) agreed to—

That the Senate's amendment be disagreed to.

Resolutions reported; report adopted.

Ordered—

That Sir Joseph Cook, Mr. Wise, and Mr. Groom be appointed a Committee to draw up

a reason for the House of Representatives disagreeing to amendments Nos. 1 and 6 passed.

Mr. GROOM, on behalf of the Committee, brought up the following reason, which was read and adopted:—

As clubs are in the same position as other employers as regards the employment of employees they should not be exempt from the duties imposed by law on corporations or persons generally.

PUBLIC SERVICE BILL.

Mr. SPEAKER (**Hon. Sir Elliot Johnson**) reported the receipt of a message from the Deputy of the Governor-General, recommending an appropriation for the purposes of amendments providing for the salaries of the members of the Board of Management in this Bill.

House adjourned at 10.35 p.m.

Members of the House of Representatives.

Speaker—The Honorable Sir Elliot Johnson, K.C.M.G.

Chairman of Committees—The Honorable John Moore Chanter.

Anstey, Frank ..	..	Bourke (V.)
[2]Atkinson, Llewelyn	..	Wilmot (T.)
Bamford, Hon. Frederick William		Herbert (Q.)
Bayley, James Garfield ..		Oxley (Q.)
Bell, George John, C.M.G., D.S.O.		Darwin (T.)
Best, Hon. Sir Robert Wallace, K.C.M.G.		Kooyong (V.)
Blakeley, Arthur	..	Darling (N.S.W.)
Blundell, Hon. Reginald Pole		Adelaide (S.A.)
Bowden, Eric Kendall ..		Nepean (N.S.W.)
Brennan, Frank	..	Batman (V.)
Bruce, Stanley Melbourne, M.C.		Flinders (V.)
Burchell, Reginald John, M.C.		Fremantle (W.A.)
Cameron Donald Charles, C.M.G., D.S.O.		Brisbane (Q.)
Catts, James Howard ..		Cook (N.S.W.)
Chanter, Hon. John Moore		Riverina (N.S W.)
Chapman, Hon Austin ..		Eden-Monaro (N.S.W.)
[3]Charlton, Matthew †	..	Hunter (N.S.W.)
[4]Considine, Michael Patrick		Barrier (N.S.W.)
Cook, Right Hon. Sir Joseph, P.C G.C.M.G.		Parramatta (N.S.W.)
Cook, Robert ..	..	Indi (V.)
Corser, Edward Bernard Cresset		Wide Bay (Q.)
Cunningham, Lucien Lawrence		Gwydir (N.S.W.)
Fenton, James Edward ..		Maribyrnong (V.)
[5]Fleming, William Montgomerie		Robertson (N.S.W.)
Foster, Hon. Richard Witty		Wakefield (S.A.)
[2]Fowler, Hon. James Mackinnon		Perth (W.A.)
Francis, Frederick Henry		Henty (V.)
Gabb, Joel Moses	..	Angas (S.A.)
Gibson, William Gerrand		Corangamite (V.)
Greene, Hon. Walter Massy		Richmond (N.S.W.)
Gregory, Hon. Henry ..		Dampier (W.A.)
Groom, Hon. Littleton Ernest		Darling Downs (Q.)
Hay, Alexander	..	New England (N.S.W.)
Higgs, Hon. William Guy		Capricornia (Q.)
Hill. William Caldwell ..		Echuca (V.)
Hughes, Right Hon. William Morris, P.C., K.C		Bendigo (V.)
Jackson, David Sydney ..		Bass (T.)
Johnson, Hon. Sir Elliot, K.C.M.G.		Lang (N.S.W.)
Jowett, Edmund	..	Grampians (V.)
[5]Kerby, Edw n Thomas John		Ballarat (V.)
Lamond, Hector	..	Illawarra (N.S.W.)
Lavelle, Thomas James ..		Calare (N.S.W.)
Lazzarini, Hubert Peter ..		Werriwa (N.S W.)
Lister, John Henry	..	Corio (V.)
Livingston, John	..	Barker (S.A.)
Mackay, George Hugh	..	Lilley (Q.)
Mahon Hon Hugh	..	Kalgoorlie (W.A.)
Mahony, William George..		Dalley (N.S.W.)
Makin, Norman John Oswald		Hindmarsh (S A.)
Maloney, William	..	Melbourne (V.)
Marks, Walter Moffitt	..	Wentworth (N.S W.)
Marr, Charles William Clanan, D.S.O., M.C.		Parkes (N.S.W.)
Mathews, James	..	Melbourne Ports (V.)
Maxwell, George Arnot	..	Fawkner (V.)
[1]McDonald, Hon. Charles ..		Kennedy (Q.)
[6]McGrath, David Charles ..		Ballarat (V.)
McWilliams, William James		Franklin (T.)
Moloney, Parker John	..	Hume (N.S.W.)
Nicholls, Samuel Robert ..		Macquarie (N.S.W.)
Page, Earle Christmas Grafton		Cowper (N.S.W.)
Page, Hon. James	..	Maranoa (Q.)
Poynton, Hon. Alexander..		Grey (S.A.)
Prowse, John Henry	..	Swan (W.A.)
Riley, Edward ..	..	South Sydney (N.S.W.)
Rodgers, Hon. Arthur Stanislaus		Wannon (V.)
Ryan, Hon. Thomas Joseph, K.C.		West Sydney (N.S.W.)
Ryrie, Sir Granville de Laune, K.C.M.G., C.B.		North Sydney (N.S.W.)
Smith, Hon. William Henry Laird		Denison (T.)
Stewart, Percy Gerald ..		Wimmera (V.)
Story, William Harrison ..		Boothby (S.A.)
Tudor, Hon. Frank Gwynne		Yarra (V.)
[3]Watkins, Hon. David ..		Newcastle (N.S.W.)
Watt, Right Hon. William Alexander, P.C.		Balaclava (V.)
West, John Edward	..	East Sydney (N.S.W.)
Wienholt, Arnold	..	Moreton (Q.)
Wise, Hon. George Henry		Gippsland (V.)

1. Sworn 27th February, 1920.———2. Sworn 3rd March, 1920.———3. Appointed Temporary Chairman of Committees, 4th March 1920.——4. Made affirmation, 5th March, 1920.——5. Election declared void. 2nd June, 1920. ——† Sworn 11th May 1920.——6. Elected 10th July, 1920. Sworn 21st July, 1920.

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House of Representatives.—W. A. Gale, C.M.G

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